

Cash Transfers as a Policy Instrument in Agriculture: Study of the  
Rythu Bandhu Scheme and the Land Record Updation Programme  
in Telangana

---



Padmini Ramesh

*A project report submitted in partial fulfilment of the requirements for The  
Degree of Master of Arts in Development Studies*

Centre for Development Studies  
School of Development Studies  
Tata Institute of Social Sciences

Mumbai

2020



## **DECLARATION**

I, Padmini Ramesh, hereby declare that this dissertation entitled ‘Cash Transfers as a Policy Instrument in Agriculture: Study of the Rythu Bandhu Scheme and the Land Record Updation Programme in Telangana’ is the outcome of my own study undertaken under the guidance of Dr. R. Ramakumar, Centre for Study of Developing Economies, School of Development Studies, Tata Institute of Social Sciences, Mumbai. It has not previously formed the basis for the award of any degree, diploma, or certificate of this Institute or of any other institute or university. I have duly acknowledged all the sources used by me in the preparation of this dissertation.

30-03-2020

A small, square, low-resolution image showing a handwritten signature in blue ink. The signature appears to be 'Padmini'.

Padmini Ramesh

M2018DS028



## **CERTIFICATE**

This is to certify that the dissertation entitled ‘Cash Transfers as a Policy Instrument in Agriculture: Study of the Rythu Bandhu Scheme and the Land Record Updation Programme in Telangana’ is the record of the original work done by Padmini Ramesh under my guidance and supervision. The results of the research presented in this dissertation/thesis have not previously formed the basis for the award of any degree, diploma, or certificate of this Institute or any other institute or university.

30-03-2020



Dr. R. Ramakumar

Professor, Centre for the Study of Developing Economies,

School of Development Studies, TISS, Mumbai



## **ACKNOWLEDGEMENT**

I would like to thank various people for their help on my dissertation. First and foremost, I'd have to thank my guide -Dr. R. Ramakumar for guiding me at every step of this dissertation, giving his inputs and insights and having faith in me. Special thanks to him for having tolerated all my phone calls and nagging messages, and doing it with a smile. This dissertation would not have been possible without him. I would like to thank Rythu Swarajya Vedika for having given me access to the field, helping me out with translations and making my field work possible.

I would like to thank the entire family of Karunakar Reddy for having hosted me with so much warmth, love and affection in their village for such a long duration. Additionally, I would like to thank Meera Aunty, Raman Uncle, Paddu Aunty for allowing me to stay at their place for over a month in Hyderabad and treating me with a lot of love.

A special thanks to Shruti, Harsha, Naveen from Rythu Swarajya Vedika and the collector of Adilabad- Mrs Divya Devarajan for having been there for me during tough times on the field. I would also like to thank Ashish for having given me important information and inputs regarding my dissertation whenever I needed it.

I would like to thank all my classmates- especially Rahul, Revati, Nikita, Upasana and Nagesh for being there with me in the span of these two year and always having my back. These 5 have been my strongest support systems at TISS as well as a constant source of comfort.

My biggest thanks to my family- Ma, Daddy, Meera Didi and Maggie (my dog) and to Avikal for having faith in me, loving me and making me who I am today.



## LIST OF TABLES

Table 1.1	A History of major events marking India's shift towards cash-transfers
Table 1.2	Administrative Divisions and Designated Officers of the Revenue Department in Telangana State
Table 1.3	Combined Landholding sizes of the 423 households based on SKS data
Table 1.4	Sample details of farming households across different land-holdings based on Proportionate Sampling
Table 1.5	Sample details of farming households across different land-holdings based on Proportionate Sampling (Revised)
Table 2.1	Number and Percentage of Complaints of each type of Land Issue based on Kisan Mitra Helpline data
Table 3.1	Details of Rythu Bandhu on Various Parameters
Table 3.2	Caste Composition of all Farmers across Land-holding sizes
Table 3.3	Preferences of 91 farmers about whether Tenants should be given Cash-Transfer under Rythu Bandhu
Table 3.4	Usage Patterns of the Cash Transfer in Kharif Season
Table 3.5	Usage Patterns of the Cash Transfer in Rabi Season
Table 3.6	Share of the Annual Cash Transfer under Rythu Bandhu as a percentage of Annual Income (Household Level) for all land-holding sizes
Table 3.7	Preferences of farmers between Cash transfers and Direct Input Subsidies
Table 3.8	Preferences of farmers between Cash Transfers (Income Support) and desired MSP (Price Support)
Table 3.9	Preferences of farmers between Cash transfers (Income Support) and desired MSP (Price Support) across land-holding sizes
Table 3.10	Percentage of farmers with access to Price Support (Percentage of Farmers who were able to sell their crops at MSP last year)



Table 3.11	Preferences of farmers between Cash transfers (Income Support) and desired MSP (Price Support) across Castes
Table 3.12	Preferences of farmers between Uniform Cash Transfer and Cash Transfer Based on land ownership
Table 3.13	Sources of Credit (Institutionalized and Non Institutionalized) among farmers
Table 3.14	Percentage of Farmers who reported that the cash transfer reduced their dependence on loan
Table 5.1	Sources of Credit of farmers across different Land-Holding Sizes



## LIST OF FIGURES

Figure 3.1	Caste Composition of all Farmers across Land-holding sizes
Figure 3.2	Land-Holding Composition of the farmers who did not receive the complete Amount under Rythu Bandhu in one/ both the seasons
Figure 3.3	Reach of Rythu Bandhu Scheme during Kharif Season
Figure 3.4	Percentage of farmers who got either complete/ partial/no cash transfer across both the seasons
Figure 3.5	Percentage of farmers who got the complete cash transfer for both the seasons across castes
Figure 3.6	Preferences of 91 farmers about whether Tenants should be given Cash-Transfer under Rythu Bandhu (in %)
Figure 3.7	Cash Transfer Usage Pattern among farmers for Kharif Season
Figure 3.8	Cash Transfer Usage Pattern among farmers for Rabi Season
Figure 3.9	Amount Spent on “Other Use” Across Seasons
Figure 3.10	Percentage the cash transfer covered of the cost of cultivation across land-holding sizes
Figure 3.11	Percentage the cash transfer covered of the cost of cultivation on an average for different land-holding sizes
Figure 3.12	Share of the Annual Cash Transfer under Rythu Bandhu as a percentage of Annual Income (Household Level) across land-holding sizes
Figure 3.13	Percentage of Farmers who found Rs 5,000 per acre per season a sufficient cash-transfer amount across land-holding seasons
Figure 3.14	Preferences of farmers between cash and direct inputs across land-holding sizes
Figure 3.15	Preferences of farmers between Cash Transfers and desired MSP
Figure 3.16	Preferences of farmers between Cash Transfers and desired MSP across land-holding sizes
Figure 3.17	Preferences of farmers between Cash Transfers and desired MSP across land-holding sizes
Figure 3.18	Preferences of farmers between Uniform Cash Transfer and Cash Transfer Based on Land-Ownership



Figure 3.19	Cash-Transfer as a share of Total Debt for all farmers across land-holding sizes
Figure 3.20	Average share of Cash-Transfer as a share of Total Debt for farmers across land-holding
Figure 5.1	Gender-Composition of all farmers
Figure 5.2	The Percentage of Land-Owners who had Passbook in their names, in their relatives' names or both
Figure 5.3	Land Leasing Patterns of all 91 farmers
Figure 5.4	Cash-Transfer Usage Pattern among farmers who claimed that cash transfer actually helped them in cultivation
Figure 5.5	Preferences between cash transfers and direct inputs among farmers who claimed that cash transfer actually helped them in cultivation
Figure 5.6	Preferences between Income Support and Price Support and Cash-Transfer Usage Patterns



## GLOSSARY

- 1) **Bhu-Naksha**:- *Bhu-Nasha is a software launched by the government of Harayana for spatial data and property subdivisions.*
- 2) **BHOOMI**:- *Bhoomi is a project initiated by the government of Karnataka to manage land records. It has gained popularity for automating and modernizing the process of producing the Record of Rights, Tenancy and crops (RTC) and managing applications for changes in the mutation register.*
- 3) **CORS**:- *CORS stands for Continuously Operating Reference Station. It is a technology which has been accepted off-late to generate 3-dimensional geographical positioning data of land and built up area.*
- 4) **Dharani**:- *Dharani is a plat-form established by the government of Telangana as part of its broader digitization effort. It is an **integrated land record management system** that seeks to link all the three land record department (Revenue, Registration and Settlement Departments) to have a comprehensive digitized database of land-records.*
- 5) **e-Trex GPS devices**:- *eTrex devices are consumer-grade receivers that can track both GPS and GLONASS satellites simultaneously. They are hand-held, easy to use and compact and can be used for surveying land, among other things.*
- 6) **ETS (Electronic Total Station)**:- *Total station is an electronic/optical instrument used in modern surveying and building construction.*
- 7) **Geo-Referencing**:- *Geo-referencing refers to the phenomenon where the internal coordinate system of a map or aerial photo image can be linked to a ground system of geographic coordinates.*
- 8) **Gram Sabha**:- *Gram Sabha is a meeting of all adults who live in the area covered by a Panchayat. In literal terms, it means village assembly.*
- 9) **Gunta**:- *Gunta is a unit of measurement of land area prominently used in Telangana wherein one Gunta is equal to  $1/40^{\text{th}}$  of an acre of land i.e. 40 Guntas make one acre.*
- 10) **HARIS**:- *HARIS is a software launched by the government of Harayana for land-registration purposes.*
- 11) **HALRIS**:- *HARIS is a software launched by the government encompassing digitized land records along with updations and mutations.*
- 12) **Khata**:- *Account (In this case account of the land-owner containing land-details)*
- 13) **Khasra Pahani**:- *Khasra Pahani is a document of 1954 in Telangana which recorded details of crops on each agricultural parcel of land, among other things*
- 14) **Lavani Patta**:- *The Lavani Patta is a Patta that one has by virtue of being assigned that land.*
- 15) **Mandals**:- *Tehsil, (also known as talua or Mandal) is an administrative division. A cluster of villages forms a Mandal/ Tehsil. A Mandal Revenue Officer is known as the Tahsildar.*



- 16) **Pahanis**:- Record specific to Telangana containing parcel-level information on agricultural land, including various interests created.
- 17) **Patwaris**:- Village Revenue Officials
- 18) **Patta**:- A title deed to a property. A Patta Pass book is a booklet which contains details of the landowner and Pattadar is the owner of such a booklet
- 19) **RORIBs**:- It is one of the primary land records in Telangana, ROR 1B is the record of rights and revenue details of each Pattadar with the revenue department. It's the basic revenue document and is akin to the 7/12 in Maharashtra. It records different kinds of interest in a land parcel.
- 20) **Sadabainama**:- Sada Bainama land registrations for rural agricultural lands in Telangana state involve executive property transactions on white papers. These transactions haven't been registered with the registration department.
- 21) **Sesala Pahani**:- Another land record document prepared around the 1950s in Telangana.
- 22) **Sethwar**:- Sethwar is a land document which was prepared between the years 1930 and 1940 in Telangana. It contains information about the cultivable area for each agricultural parcel of land. Since Sethwar is a settlement register, there is no specific year for all the villages but the official note released by the Government of Telangana on the Land Record Updation Programme mentions that the Survey Settlement and Bandobust operation took place from 1932-34
- 23) **Sivai Jamadars**:- "Sivai Jamadars" are eligible encroachers whose encroachments have been regularized because they are poor and landless. This was done by a legal change made by the government of Telangana to the POT act.
- 24) **Webland**:- Webland is a data entry platform launched in 2011 by the Andhra Pradesh Government as part of the digitization exercise of the state. The platform had many loopholes.
- 25) **Wakf Land**:- Wakf land was the land gifted during the Nizam-era.



# **TABLE OF CONTENTS**

## **Chapter 1: Introduction**

- 1.1 Research Objectives
- 1.2 Rationale
- 1.3 Structure of the Dissertation
- 1.4 What are Cash Transfers-Tracing the History
- 1.5 India's Journey
- 1.6 Contemporary Debates around Cash Transfers
- 1.7 The Question of Poverty and Basic Income Capitalism: India's transition from Developmental State to Compensatory State
- 1.8 Methodology

## **Chapter 2: Land Record Updation Programme (The Devil is in the Details)**

- 1.1 Establishing the Context
- 1.2 What are Land Records?
- 1.3 Digital India Land Record Modernization Programme: Genesis and Current Status
- 1.4 Why are Formal and Clear Land Records needed-The Rationale
- 1.5 A glimpse of Telangana's land history: From the dominion of Nizam to the present day
- 1.6 The Land Record Updation Programme
- 1.7 But how were the disputes resolved?
- 1.8 The achievements and Government Claims
- 1.9 A Can of worms?
- 1.10 Broader Problems with the Digitization Process
- 1.11 Farmer Complaints:- Analysis of the Kisan Mitra helpline data and findings
- 1.12 Conclusion

## **Chapter 3: An Assessment of the Rythu Bandhu Scheme**



- 1.1 Rythu Bandhu: Some Basic Details
- 1.2 Caste Profiling of Farmers
- 1.3 Important Socio-Economic Profiles of the farmers that are a part of the appendix
- 1.4 Rythu Bandhu Findings
- 1.5 Summary and Final Conclusions

## **Chapter 4: Conclusion**

## **Appendix**

- 5.1 Gender Profiling and Land Ownership Details of farmers
- 5.2 Patta Passbooks during LRUP
- 5.3 Land Leasing Patterns
- 5.4 Amount of Land Cultivated, Cost of cultivation per acre during Kharif Season, Number of Quintals of Primary Crop Produced
- 5.5 Preferences between Cash transfers and Direct inputs of those farmers who claimed that cash transfers actually helped them during cultivation
- 5.6 Cash Transfer vs Direct Inputs; Price Support Vs Income Support
- 5.7 Profiling of Debt based on land-ownership

## **Bibliography**



# CHAPTER 1

## INTRODUCTION

This dissertation is an attempt to evaluate the Rythu Bandhu Scheme- India's first cash transfer scheme for farmers which started in May 2018 in Telangana. The dissertation also aims to document the Land Record Updation Programme that took place in Telangana from September to December 2017 prior to the cash transfer scheme- as a prerequisite to its implementation.

Cash Transfers as a policy instrument have been debated, discussed and implemented in various forms, in various parts of the world and at various points of time in history. In India, the earlier discussions around cash transfers had centered on the National Food Security Act (NFSA) and the context was whether food subsidies should be provided in the form of cash transfers or through subsidized in-kind transfers. The debate around cash transfers gathered momentum again when the Universal Basic Income (UBI) was floated as an idea vide the Economic Survey of 2016-17. Around this time, the state of agriculture in the country was dismal- farmers across the country were protesting, prices of agricultural produce were falling and the costs of cultivation were rising, reports of farmer suicides were increasing by the day and the growth rate in terms of GVA (Gross Value Added) in the crop sector was declining (Himanshu, 2019) – This made the agricultural sector the perfect testing ground to gauge the effectiveness of cash transfers, even as other measures such as loan waivers and price-deficiency payments had failed to address the distress.

It was in this context, that Telangana launched Rythu Bandhu- what it called a 'farmers investment support scheme' in May 2018- disbursing to all land-owning farmers in the state, a cash transfer of Rs 4,000 per acre per season (which later increased to Rs 5,000) to help support investment in agriculture in the initial sowing season. The scheme was novel in more ways than one- not only was it the first of its kind for farmers, but more importantly – the scheme required a definition of cultivators based on land-ownership. In less than a year of the scheme's launch, other states- namely Odisha, West Bengal, Andhra Pradesh started supporting farmers through cash transfers and the scheme went on to inspire the flagship PM-KISAN (Pradhan Mantri Kisan Saman Nidhi) at the central level.

While other states had different mechanisms of identifying beneficiaries for the cash-transfer, both Rythu Bandhu and PM-Kisan were unique in that they relied completely on land-records for the identification. But in a country where land titling is hardly conclusive, errors and disputes are likely inevitable. It is for this reason that Telangana undertook a mammoth Land Record Updation Exercise (LRUP) for the State from September 2017- December 2017 which involved the textual updation of all land records to prepare grounds for the implementation of the Rythu Bandhu Scheme in 2018.

My research focuses on assessing the effectiveness of the first cash transfer scheme to farmers in India- Rythu Bandhu and documenting the Land Record Updation Programme- which the State undertook to



build its capacity for the implementation of that scheme- premised on a robust and real-time land records system.

## **1.1 Research Objectives**

This dissertation aims to fulfill two objectives:

- To Document the Land Record Updation Programme that Telangana undertook from September 2017 to December 2017
- To assess the Rythu Bandhu Scheme- in terms of its reach, effectiveness, sufficiency and the preferences of farmers

The study will broadly answer the following questions:

- How was the Land Record Updation Programme undertaken? What was the method adopted, what hierarchy was followed and what objectives were set?
- How successful was the state in achieving those objectives? What, if any, were the issues that emerged?
- Did the history of Telangana's land records system and infrastructure have any impact on the exercise undertaken?
- How well did the Land Record Updation Programme align with the broader goals of Modernization of Land Records?
- Did the execution of the Land Record Updation Programme- have an impact on the implementation of the Rythu Bandhu Scheme?
- What was the reach of the Rythu Bandhu Scheme? Who received the cash transfers and who did not receive the cash transfers, what were their socio- economic conditions?
- How was the cash transfer given through Rythu Bandhu utilized across land-holding sizes, castes and seasons (Kharif and Rabi)?
- How sufficient was the cash transferred to the farmers? What percentage did it form of the cost of cultivation, the poverty line and their income levels?
- What were the preferences of farmers regarding cash transfers (income support) vis-à-vis other agricultural support measures such as price-support, direct inputs and subsidies?
- Was the cash transfer helpful in reducing the farmers' indebtedness? What percentage did it form of their debt?
- What potential, if any, do cash transfers to farmers, have of alleviating the agrarian distress and the agricultural crisis?



## 1.2 Rationale

### Why Cash Transfers?

There has been a veritable deluge of books and articles written hailing cash transfers as the most necessary, obvious and imperative strategy for poverty alleviation, even to the extent of suggesting that these should replace a great deal of other government activity (Ghosh, 2011). Even though the idea of cash transfers and that of basic income is around two centuries old (Floyd, 2019), it is only in the last 50 years or so that it has occupied the centre-stage of discussions surrounding poverty and has been advocated as the solution for many developmental failures, even by many Indians. (Arvind Subramanian, Pranab Bardhan, Abhijeet Bannerjee, Vijay Joshi, Devesh Kapur, Partha Mukhopadhyay Maitreesh Ghatak, Ashok Gulati, Karthik Muralidharan, Debraj Ray etc.)

In fact, India, much like the world, has made giant leaps towards adopting cash transfer and basic income as primary policy answers for problems of development and poverty. In case of India, this can be seen progressively- starting *from 2008* in India - when the former chief economic advisor, Arvind Subramanian, and his colleagues published a paper titled ‘The Case for Direct Cash Transfers to the Poor’, where they made a case for cash transfers replacing central welfare schemes as well as food, fuel and fertilizer subsidies, *to 2011*- when the Finance Minister of India made a budget presentation announcing an actual shift from fuel and fertilizer subsidies to direct cash transfers *to 2017*- when the concept of a Universal Basic Income featured as an entire chapter in one of the most important policy documents in India: the annually published ‘Economic Survey’, and finally *to 2019*- when one of the main parties at the centre proposed in its manifesto a basic income scheme called the ‘Nyuntam Aay Yojana’ (NYAY) which was hailed as the ‘final assault on poverty.’

Thus, it becomes imperative to understand and assess the effectiveness of cash transfers in addressing the systemic and structural lacunae prevalent in existing trajectories of development and poverty - because as it appears, cash transfers and basic income have begun to define much of what one understands as solutions to developmental problems, and therein have involved a paradigm-shift in the very understanding of what constitutes development, not only in India, but also in the globe.

### Why Rythu Bandhu and LRUP?

On 10<sup>th</sup> May 2018, the Telangana government launched the “Rythu Bandhu” or farmers’ investment support scheme- a cash transfer scheme- offering farmers ₹4,000 per acre per season (which later increased to ₹5,000) with the aim of enhancing agricultural productivity and breaking “*the vicious cycle of rural indebtedness*.” The eligible beneficiaries of the scheme were restricted to land-owning farmers with no limit on the number of acres they owned. The scheme had an outlay of ₹12,000 Crore announced in the 2018-19 budget and targeted a total of 57 lakh beneficiaries to make direct cash transfers. As the first cash transfer scheme in the agriculture sector in India, it became popular within a short span of



time and was held responsible for K Chandra Shekhar Rao's sweeping victory in Telangana's state elections. In fact, it was touted as having the "*potential of becoming the future farm policy of India*" by none less than the former Chief Economic Advisor of India- Arvind Subramanian and amassed a lot of support from many economists ranging from Kaushik Basu to Pranab Bardhan to Ashok Gulati. Within 10 months, the centre launched PM-KISAN (Pradhan Mantri Kisan Saman Nidhi) at the national level somewhat based on the Rythu Bandhu Model, even as other states adopted different mutations of the scheme- by providing cash transfers to farmers on various criteria.

Telangana's idea of implementing Rythu Bandhu, as discussed initially, emerged in the back-drop of a wide-spread agrarian distress at a country level. The distress was further exacerbated by the twin droughts of 2014-15 and the blunder of demonetization which brought large swathes of the rural economy including agriculture to a stand-still (Ramakumar, 2017) (Himanshu, 2019). In order to address the agricultural distress in its own state, the Telangana government started the cash transfer scheme for farmers in 2018. 2019 marked one year of the implementation of the scheme and seemed like the perfect opportunity and time to gauge the effectiveness of cash transfers in dealing with a major malaise hindering the <sup>1</sup>development of Telangana, and of its economy- the dismal state of agriculture. For these reasons, a study of the Rythu Bandhu Scheme seemed reasonable to undertake, given my underlying rationale of assessing the effectiveness of cash transfers in dealing with the problems of development. Also, because the Rythu Bandhu programme's success has since been cited in policy discussions as a reason for replacing fertiliser subsidies paid to companies with cash transfers to farmers, we are looking at a possibility in the future where all entitlements to farmers, and to people in general, can be made in the form of direct cash transfers. In this light the importance of studying the scope, effectiveness and impact of direct cash transfers can't be stressed enough.

In addition, since the cash transfer/income support in case of Rythu Bandhu was linked to land ownership, the successful implementation of the scheme depended on the accuracy of the underlying land records. Therefore, it made sense to document and evaluate the Land Record Updation Programme- an exercise of the textual updation of land records. Doing this also became important because there seems to be a very high possibility that cash transfers will continue to be used as tools and answers to the questions of development in the future. If this happens, the capacity of the State to prepare grounds for the implementation of these cash transfers becomes extremely relevant.

---

<sup>1</sup> By development, I mean both: what Amartya Sen elucidated as the capability approach framework of conceptualizing development as well as a relatively narrow understanding of development in terms of per capita GDP and income



### **1.3 Structure of the Dissertation**

In the next few sections of this chapter, I will be discussing the basics of what cash-transfers are, tracing their history and discussing contemporary debates surrounding them. I will be establishing how cash transfers are an embrace of the neo-liberal paradigm and then will be detailing the methodology adopted to undertake my study.

The second chapter deals with the Land Record Updation Programme- information about what land records are, the Digital India Land Record Modernization Programme, information about land titling and modernization, the history of Telangana's Land Records, the entire documentation of Land Record Updation Programme, its achievement, the problems that emerged and other insights from field.

The third chapter deals with the assessment of the Rythu Bandhu Scheme. It's an analysis of my field data and the findings that emerged in terms of the reach of the scheme, how the cash transfers were utilized, how sufficient was the cash for the farmers on various parameters, what the preferences of the farmers were and how the scheme tackled the issue of indebtedness among farmers.

The fourth and the last chapter deals with the final conclusion and findings. I have also included an appendix with respect to the third chapter. The appendix contains some demographic details of my sample which I could not include in the chapter since I wanted to restrict the chapter to just analysis, but were very important.

### **1.4 What are Cash Transfers- Tracing the History**

Cash transfers have been described as a class of instruments through which beneficiaries are endowed with purchasing power to acquire certain goods rather than the goods themselves. There are different types of cash transfers. An unconditional cash transfer entails no restriction on use; there are no strings attached and beneficiaries are free to decide how they wish to spend it. Conditional cash transfer schemes, (CCTs), whereas, are essentially cash transfers to targeted households or individuals contingent on specific behavioral responses on part of them. Unconditional cash transfers can be further divided into restricted (targeted) transfers- targeted to a specific sub-population such as the poor, elderly, lactating mothers etc. (for example, a pension) or universal- (for example, a Universal Basic Income). A Universal Basic Income is nothing but an unconditional, periodic cash transfer that the government makes to everyone.

Now, the idea that the state/ the society as a whole is in some way responsible for providing every citizen a basic income is old – it has been proposed and discussed in various forms- for example as a citizen's dividend (Paine, 1797), as a social credit (Douglas, 1924), as a social dividend (Cole, 1953), as a negative income tax (Friedman, 1962), as a demogrant (McGovern, 1972) – to name a few. Even though, few of these proposals of basic income were conceptualized differently, they shared a common thread in that the underlying premise of the cash transfer remained the same more or less. Major thinkers



such as Thomas Paine, John Stuart Mill, John Kenneth Galbraith and John Rawls have advocated providing to every individual, rich or poor an unconditional basic income. In fact, the idea of basic income/ some sort of cash transfer has religious acceptance as well, since its mention can be traced back to Kautilya's Arthashastra which specified a system of taxation payments from the rich in order to enable transfer payments to the poor (Sen & Basu, 2006); even Islamic rulers in the Middle Ages followed the tenets of zakat which specified the use of state revenues to provide income/cash transfers to the poor, the elderly, orphans, widows and the disabled (Ghosh, 2011).

Several experiments and projects seeking to implement cash-transfers have also been run. There was the Speenhamland System of 1795 in England and Wales that Karl Polanyi talked about in his book, the Great Transformation- in which a minimum income was assured to the poor irrespective of their earnings to mitigate poverty. In the late 1960s and 70s, income transfer Experiments were run in New Jersey, Iowa, North Carolina, Indiana, Seattle, Denver and Manitoba. The Manitoba income (or "mincome") experiment of 1974 became popular. It was a Canadian guaranteed annual income project.

However, notwithstanding such a long history, it was only during the 1970s that the idea of cash transfers and of basic income started gaining a lot of traction at the global policy level. In fact, the entire "cash versus food" debate which became a big talking point in India in the late 2000s goes back to the 1970s at the global level (Gentilini, 2007). During the late 1960s and early 1970s, the idea of a guaranteed income entered the political mainstream in the US, with the likes of Martin Luther King endorsing it and Richard Nixon-the then President of the United States pushing to make the "basic federal minimum" a law (Floyd, 2019). Economists too started toying with the idea of cash-transfers during that time. Lester Thurow for instance, suggested in 1974 that *"while it is not axiomatically true that cash transfers always dominate restricted transfers, the general economic case for cash transfers is strong enough that the burden of proof should always lie on those who advocate restricted transfer"* (Narayanan, 2011).

In fact, cash transfers became the buzz-word of sorts and also became popular in other fields such as agriculture during the late 1900s. For instance, in the 1992, the focus of European Union's (EU's) agricultural policy shifted from supporting *product-prices* to supporting *producer incomes* and ever since direct payments to farmers have been one of the major support instruments to the agricultural sector in the EU. This was in tandem with the Uruguay round negotiations of 1993, in which all the agricultural products were brought under the "Agreement on Agriculture" (AOA) which required all future World Trade Organization (WTO) members to make commitments in the areas of market access, export competition and domestic support. The idea was to get rid of all 'trade-distortionary' subsidies and emphasis was laid on making nations adopt Green-Box subsidies as much as possible. The AOA



required the <sup>2</sup>Green-Box Subsidies to not involve price support but stated that they “*may include direct income support for farmers who are distressed due to crop loss or market breakdown.*”

Soon enough, by 2000s cash transfers had begun to dominate the global policy landscape across areas. They prominently featured in the WTO negotiations on agricultural policy disciplines and their exemptions, greater interconnection between the markets, studies on the costs of transoceanic food aid deliveries and enhanced flexibility in donor budgets; there was also greater availability and accessibility of research studies on the topic (Gentilini, 2007). In 2006 alone, around 50 new cash papers were presented and three major events organized, including the overseas development of India (ODI) Cash and emergency relief conference, The World Bank Third International Conference on conditional cash transfers and the regional workshop on cash transfer activities in Southern Africa. Interest in cash transfers as a tool for food security and humanitarian aid also grew remarkably (Ibid).

Cash increasingly became the central plank of donor social policy, as can be seen from examples of Ethiopia, Kenya, Zambia and Malawi: even as more countries continued to develop national social protection systems in which cash was a significant component. Many counties began to make conditional cash transfers a part of their national welfare policies such as Mexico (Progresa Oportunidades, 1997) and Brazil (Bolsa Familia, 2003). The global spread of conditional cash transfers soared from 27 countries in 2008 to 64 in 2014 (World Bank, 2016). Even the spread of unconditional cash assistance soared to 119 developing countries, with each country having implemented at least one type of such assistance (Banerjee, Hanna, Kreindler, & Olken, 2016). The title of a book in 2010 actually said: Just Give Money to the Poor! (Hanlon, Barrientos, & Hulme, 2010) This idea of just giving money to the poor got labelled as “*The Development Revolution from the Global South*” - *An elegant southern alternative that bypasses donors, government and NGOs to empower poor people to make their own decision on what to spend the money on.*

With this, the perception of viewing cash transfers as the panacea for developmental hurdles and poverty almost completely captured policy imagination and many developing countries as well as international development assistance organizations like the World Bank and the DFID (Department for International

---

<sup>2</sup> The idea of replacing agricultural price support with direct payments to farmers decoupled from production dates back to the late 1950s, when the twelfth session of the GATT contracting parties selected a panel of experts chaired by Gottfried Haberler to examine the effect of agricultural protectionism, fluctuating commodity prices and the failure of export earnings to keep pace with import demand in developing countries. The 1958 Harberler Report stressed the importance of minimising the effect of agricultural subsidies on competitiveness and recommended replacing price support with direct supplementary payments not linked with production, anticipating discussion on the green box subsidies. Only with the Uruguay Round, though, this shift became the core of the reform of the global agricultural system.



Development, UK) shifted towards direct cash transfers. A part of this involved rolling various subsidies and in kind transfers into a single cash transfer to households. (Ghatak & Maniquet, 2019)

## **1.5 India's Journey**

Gradually, even India caught on to this cash bandwagon. In India, the beginning can be traced back to 2008 when Arvind Subramanian and his colleagues published a paper titled 'The Case for Direct Cash Transfers to the Poor' (Subramanian, Kapur, & Mukhopadhyay, The Case for Direct Cash Transfers to the Poor, 2008) It would be useful to know that the origins of the cash transfer debate in India are inextricably linked with the question of food security. Food, Fertilizer and Liquefied Petroleum Gas (LPG) have been the three hallmarks of the Indian welfare system. At the top list of subsidies, stand subsidized food staples and kerosene which are made accessible through the Public Distribution System (PDS). The PDS began as a universal provision in 1947 to deal with shortages post-independence. In 1997 it began to restrict/ give targeted access to certain groups, also known as TPDS (Targeted Public Distribution System). Now, even though the PDS has been hailed by many (including the World Bank) for having reduced poverty and caloric deficiency over time in India, it has been pointed out by many that the system is plagued with inefficiency and corruption and that targeting in the PDS is rife with inclusion and exclusion errors. This is was one of the major reasons why the demand to shift from these subsidies to direct cash transfers emerged (Mehta, 2019).

However the suggestion to remove food subsidies altogether was viewed with a lot of skepticism and proved controversial among development professionals, some academics and food activists. Members of the Right to Food campaign had successfully petitioned in the Supreme Court to consider the 'right to food' a legal right under the constitution as far back as 2001. These members, along with development professionals and academics viewed the suggestion of replacing the PDS with direct cash transfers apprehensively and claimed that it was being done deliberately to pave the way for the entry of organized retail in the country. (<sup>3</sup>Read open letter by the Right to Food Campaign to the then Prime-Minister) They pointed out that giving cash without proper food availability risked putting people at the mercy of food retailer sharks and cartels and exposed them to private market forces. This, they argued, also risked making it easy for the government to withdraw from the direct provision of goods and services and was tantamount to an abdication of its responsibility. They opposed the National Food Security Bill for the same reasons since a clause in the bill namely the "right to a food security allowance" allowed state governments to give a cash equivalent in lieu of food to beneficiaries, with approval from the Central Government. The bill nevertheless became the National Food Security Act in 2013 with the clause intact, and the rest is history.

---

<sup>3</sup> Right to food campaign (2011) 'Right to Food', Economic & Political Weekly, 46(33)



There was no looking back after that as India started conducting pilots testing the effectiveness of direct cash transfers and basic incomes to target populations, eliminated the necessity of paying LPG subsidies to oil companies and replaced it with direct cash payments and focused on building the JAM (Jandhan Aadhaar Mobile) infrastructure for direct cash payments, among other things. Given below is a table tracing the history of major events marking India's shift towards cash-transfers.

**Table 1.1: A History of major events marking India's shift towards cash-transfers**

Year	Event	Details
<b>2008</b>	Paper Published: 'The Case for Direct Cash Transfers to the Poor'; Case made for the Indian government to replace central welfare schemes as well as food, fuel, fertilizer subsidies with a single direct cash transfer citing that weak local administrators and apathetic public officials had made the programmes highly inefficient.	The proposal launched the nation into a decade of discussion around cash transfers, the problems with the current system and the possibility of a Universal Basic Income.
<b>2011</b>	<ol style="list-style-type: none"> <li>1) In February, the then finance minister used his 2011-12 budget presentation to announce a shift from fuel and fertiliser subsidies to cash transfers</li> <li>2) In December, the National Food Security Bill was debated. The bill had a new clause called the 'National Food Security Allowance' which allowed the state governments to</li> </ol>	The first announcement set off ripples in India's social policy community because even though the announcement wasn't a threat to the right to food <i>per se</i> , it was the first time that there was an explicit commitment made to move away from in-kind subsidies to direct cash transfer. Efforts to link bank accounts with biometric identification also started, which many felt, could set the stage to experiment with food subsidies as well. Their fears were confirmed with the second announcement.



	disburse the cash equivalent in lieu of food to beneficiaries, with approval from the centre	
<b>2011-2013</b>	<ol style="list-style-type: none"> <li>1) The first 2 basic income pilots undertaken by SEWA in New Delhi in partnership with UNDP (United Nations Development Programme) and in Madhya Pradesh with backing from United Nation's Children's Fund (From 2011-13)</li> <li>2) The National Food Security Act 2013 got passed with the clause intact</li> <li>3) Shift to cash transfers for scholarships and old age pensions began</li> </ol>	The two experiments yielded positive results for beneficiaries with respect to nutrition, debt, asset building and other livelihood measures.
<b>2014</b>	After assuming power, the Narendra Modi Government spearheaded efforts for financial inclusion to enhance the JAM infrastructure (Jan Dhan, Aadhaar, Mobile Phone) to facilitate direct cash transfers with ease.	18 million bank accounts were open within one week of the changes coming into effect
<b>2015</b>	1) Shanta Kumar Committee Recommendations of 2015 for the	An analysis by Karthik Muralidharan, Paul Niehaus, Sandip Sukhtankar of the pilot showed that beneficiaries



	<p>introduction of cash transfers in lieu of food grains through the PDS</p> <p>2) The Government piloted direct cash transfers in lieu of subsidized food in three territories- Dadra and Haveli, Puducherry and Chandigarh</p>	<p>weren't able to access money and experienced losses, had difficulty in terms of both- Time and Resources in accessing the ATMs but nevertheless preferred cash to in-kind transfer and improved their diet by using the transfer to buy higher quality grains and vegetables</p>
<p>The experiments on cash-transfers and basic income from 2011 to 2015 laid the foundation for a debate around basic income by providing empirical data</p>		
<b>2016-17</b>	<p>The Economic Survey 2016-17 had an entire chapter on the Universal Basic Income bringing the debate around cash transfers and basic income back to the centre stage</p>	<p>The core suggestion of the Chief Economic Advisor- Arvind Subramanian was to have a quasi-universal basic income of Rs 7,260 per year for 75% of India's population. (The idea of Basic Income was supported by the likes of Pranab Burdhan, Vijay Joshi, Abhijeet Bannerjee while Development Economists like Amartya Sen, Jean Dreaze were skeptical of it)</p>
<b>2018</b>	<p>The First Direct Cash Transfer schemes for farmers- Rythu Bandhu Launched, followed by other states -Odisha, West Bengal , Andhra Pradesh, Jharkhand</p>	<p>The Scheme involved giving to all land-owning farmers a sum of Rs 4,000 per acre per season. It was the first such scheme for farmers in India and became very popular with the Food and Agriculture Organisation of the United Nations hailing it as a success story</p>



2019	1) PM KISAN launched at the national level-Direct Cash Transfer/ income guarantee Scheme for all land-owning Farmers across the country with up to 2 hectares of land  2) Indian National Congress' proposal for a minimum income guaranteed to the 20% of the poorest Indian Families if elected to power	2019 has been called the year of basic income in India <sup>4</sup>
------	--	---

*Source: The table has been self-compiled by author based on the paper titled "The Great Indian Basic Income Debate"*

Thus, as can be gauged from the table, India has progressively moved towards adopting cash transfers as policy solutions to its developmental woes. The shift started with attempting to replace inefficient food, fertilizer and LPG subsidies, and gradually developed into ideas of "basic income" for a select population. Currently, cash transfers for farmers are the latest fad. In India, this recent trend of providing farmers with cash transfers can be seen as the other prong of the earlier suggestions asking for the replacement of the PDS with cash transfers- both of which together, can potentially lead to the PDS becoming redundant. This is because the PDS in India has been modelled such that it addresses the interests of *both* consumers and producers (by procuring grains from farmers at a Minimum Support Price (MSP) and selling it to the public at large through fair-price/ ration shops at the issue price). Any suggestions to dismantle the PDS and replace subsidized in-kind food distribution with cash-transfers (as was proposed in the context of NFSA debates) can't be done without ending *food grain procurement from farmers* which forms an important institutional support to them. Seen from this perspective, direct cash transfers to farmers in agriculture (as a replacement for existing price support mechanisms like MSP and agricultural subsidies) and direct cash transfers to people below the poverty line (as a replacement for food distribution through fair-price shops) are two sides of the same coin and one paves the way for the other.

---

<sup>4</sup> By Vanya Mehta, in the article called "The great Indian basic income debate" where Mehta traces the history of cash transfers and Basic Income in India. Much of the content of this table is extracted from the article.



## 1.6 Contemporary Debates Around Cash Transfers

The contemporary debates around cash transfers are interesting to look at simply because of the breadth of issues these cover. The arguments for and against a Universal Basic Income (UBI) have also been examined here because UBI is ultimately a cash-transfer for all. It's important to highlight that even among proponents of cash transfers, there is no single unilateral position- while some are not okay with the idea of a Universal Basic Income *per se*, they advocate cash-transfers in situations like pensions - Reetika Khera for example, some others argue for universal cash transfers as opposed to targeted ones- Pranab Bardhan; some are okay with a Universal Basic Income in other countries but don't think it's apt for the Indian Context- the likes of Amartya Sen and Jean Dreze. A few recommend a small complementary cash transfer/ small complementary income support- "inclusive growth dividend" (Karthik Muralidharan, Maitreesh Ghatak) even as others argue that the cash-transfer and income support need to be sufficient enough to live on. Given below are some note-worthy aspects in the debate:-

- Paternalism and Agency

This issue is premised on an argument against the paternalistic nature of the state and is based on the neoclassical doctrine of 'absolute consumer sovereignty' (Thurow, 1974). The doctrine argues that at the heart of economists' love for cash transfers is that these allow everyone to be their own best judge of what they should do to maximize their utility. The recipients are free to choose how to spend the cash paid to them based on their own priorities. Thus, a strong case for cash transfers is that they treat consumers, not as 'objects' who are being distributed goods that the government deems essential, but as 'individuals' capable of exercising their own will to decide what is the best for them. The "freedom" concept is key for some advocates including Arvind Subramniam, Devesh Kapur and Partha Mukhopadhyay. Ugo Gentilini talks about how in-kind transfers reduce the recipients' utility because of the lack of fungibility of such transfers giving the recipients less freedom to choose. In fact, even the economic survey 2016-17 talks about how the current welfare system assumes that people are incapable of making economic decisions for themselves and does not respect their dignity to choose. It argues that giving them an unconditional transfer would instead grant them the autonomy to spend their money on what they see as best for them.

However, a reasonable argument against this idea is that it is impossible to be non-paternalistic in the present world. Kaushik Basu, who is a major advocate of cash transfers said in one of his interviews, *"As soon as I know that through one particular action of mine, I will make you choose 'A', and by not taking that action you will choose 'B', I cannot escape paternalism, because I know that by doing nothing I am prompting you to choose 'B'. Given the amount of knowledge we have today of human psychology, paternalism is inescapable."* Another argument that holds weight in this context is that at one level, individuals derive satisfaction from the fact that other individuals are consuming certain



goods (de Janvry and Sadoulet, 2004). Societies as a whole may value a minimum level of consumption of certain goods (merit goods). From this perspective, the dilemma is not whether in-kind transfers influence the household behaviour but whether the influence is intentional. An example of this could be that *because* right to food is a legal right, the entire society as a whole benefits if individuals are provided with food transfers because the society is fulfilling its obligation towards that individual.

Some also argue that the fungibility of cash implies that beneficiaries might use it in ways that undermine particular goals of the transfer consequently rendering the scheme ineffective, which resource-constrained governments can ill afford. For instance, in Indira Awas Yojana (IAY), studies show that the scheme continues to transfer crores of rupees to gram panchayats and below poverty line (BPL) families each year but these families do not undertake quality housing with that money because other needs gain priorities. Mihir Shah calls this the “Fallacy of Misplaced Concreteness” wherein he says that the problem is not of transfer of the money, but that of its translation into concrete assets.

- Employment and The Social Value of Work

An oft-cited argument made against a basic income is that it would make people “lazy” and reduce incentives to work. Apart from the fact that this argument has been debunked recently ‘*Debunking the Stereotype of the Lazy Welfare Recipient: Evidence from Cash Transfer Program*’, (Banerjee, Hanna, Kreindler, & Olken, 2016), the argument itself stems from an implicit understanding that work has an intrinsic social value of its own. Work it seems, as Lawrence Katz- a professor of Economics at Harvard has put it, “*is not just what people do for a living. It is a source of status. It organizes people’s lives. It offers an opportunity for progress. None of this can be replaced by a check.*” This is also one of the reasons why European Social Democrats are against Basic Income (even when it does not replace some existing welfare policies), because they weigh the social value of work beyond the income it generates and the model of a universal basic income is not conditional on any work for the society.

Although this argument gets seriously undermined when it comes to work and employment in developing countries like India. Martin Ravallion, in one of his papers titled – ‘*Guaranteed Employment or Guaranteed Income*’ argues that the kind of work that is undertaken under MNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) in the developing countries/ under employment guarantee schemes in these countries has no value of its own i.e. it is instrumental only in its capacity to generate income for its worker. In the same paper, Ravallion argues that employment guarantee has an edge over income guarantee schemes because the right to work has a “self-selecting bias”- in that only people who are in need of work and are willing to earn wages for it will opt for it. Whereas cash transfers don’t have this self-selecting bias since cash is fungible and no one would say no to it. (More on this discussed in succeeding points)



Some have argued that cash transfers open up the possibility of flexibility in labour market. This is because a sufficiently high UBI level will free people to do whatever they like, including self-employment and unpaid work. In the vision of advocates, a cash transfer can provide the freedom *to not work*—to pursue whatever occupation one likes even if it is not especially remunerative personally. This also opens up the possibility of the labour market becoming more flexible in nature as labour markets would be in a better position to adapt to the changes in society and economy—thanks to the safety net of cash transfers.

Here, it would also be useful to highlight that there is a difference in why Universal Basic Incomes are being proposed in developed countries as opposed to the developing countries. In the former, especially in countries like Finland (which recently conducted a UBI experiment), UBI is being proposed, in large part, as a response to the anxiety created by trends of automation which many fear, could lead to a massive increase in unemployment. As per this argument, UBI is more like an indemnification due to losses caused by technological advancements. This is not the case with developing countries where UBI is being proposed as a response to ‘inefficient’ public spending on social sector schemes.

- Administrative Efficiency and Targeting

This is perhaps one of the most important aspects around which the cash transfer debate is centred. Arguably, one of the major reasons why direct cash transfers even emerged as alternative measures of social provisions was because of the inefficient nature of existing social measures. This holds true especially in case of India, where a large part of literature advocating cash transfers provides the inefficiency of the Public Distribution System and other subsidies as reasons for doing so. Proponents of cash transfer have argued that because welfare schemes are riddled with pilferage and corruption, many a times they aren’t able to reach the remotest sections of the society or its intended beneficiaries. Hoarding and black-marketing of food grains in the PDS and corruption in other subsidy schemes are well established facts. This sets the precedent for Direct Cash Transfers straight to the beneficiaries’ accounts—cutting across all middlemen and reducing the scope of corruption and errors.

However, it has been pointed out that even cash transfers can cause corruption, be prone to elite capture and be held hostage by nepotism. In fact this has been pointed out by the advocates of cash transfers themselves. Kapur, Mukhopadhyay, Subramanian, despite being proponents of cash transfers, highlight the possibility that the system of cash transfers may get captured by local elites and may completely leave out the poor. Corruption concerns focus on the possibility that cash could be more prone to diversion than commodities because of its greater fungibility and appeal (Farrington, Harvey, & Slater, 2006). Jayati Ghosh makes a very significant point in this regard. Talking about exclusion errors, she mentions how they are going to be especially high where structures of power and inequity already deprive certain sections of the population of basic goods and allow powerful elites to appropriate goods and services that are provided in limited quantity such as in India. *“It is absurd to imagine that*



*providing cash rather than goods will solve this problem: how much simpler and easier it will be for those who benefit from such leakages to divert cash, rather than goods that have to be stored and resold!”* (Ghosh, 2011)

A recent assessment by Karthik Muralidharan, Paul Niehaus and Sandip Sukhtankar of the pilot conducted by the government on providing Cash Transfers in lieu of food subsidies (mentioned in the table above), found that up to 20% of the intended beneficiaries did not receive the cash in Chandigarh, 24% did not receive it in Puducherry and 16% did not receive it in Dadra and Nagar Haveli. They also found that on an average, it costs beneficiaries more (in time and money) to travel to banks (to access cash) and markets (to use cash) than in collecting food rations making the cash transfer cost inefficient. They finally ended up suggesting a choice-based framework wherein beneficiaries are given the choice between the PDS and a fiscally-equivalent transfer. (Muralidharan, Niehaus, & Sukhtankar, 2017)

A significant point raised by cash transfer proponents is the fact that the costs of implementing a PDS or in-kind transfer are enormous. Ugo Gentilini points this out by giving the example of Honduras where it costed 1.03 lempiras (domestic currency) to deliver 1 lempira of income transfer in the form of a cash-like coupon, while it costed 5.69 lempiras to deliver the same income transfer in the form of food. However, the catch over here was that the cash transfer had no effect on children’s calorie consumption nor on the use of health centres while the food transfer increased both (Gentilini, 2007). Thus efficiency requires that costs be interpreted in relation to objectives. Literature so far suggests that the efficiency of in-kind transfers and cash-transfers is largely contextual and depends on the situations they are being implemented in (Narayanan, 2011) (Gentilini, 2007).

A large number of proponents of Universalized cash transfers make a case for it because of the scope of targeting errors (both inclusion and exclusion). Pranab Burdhan argues that there exist very high targeting errors in the existing PDS scheme- about half of the Indian poor do not have a below poverty line card and one-third of the non-poor have it instead (Burdhan, 2019). He further argues that any amount of targeting, however well it is done, is bound to have inclusion and exclusion errors and suggests that a UBI will “cut through this mess.” Inclusion and exclusion errors arise from the very nature of a targeted scheme. (Ghatak, NYAY e-Symposium: Not long-term solution to poverty but useful ‘first-aid’, 2019) However, the scope for inclusion errors increases in case of a targeted cash transfer scheme since there are systematic incentives to falsely claim eligibility due to the fungible nature of cash (After all, everyone loves a bit of cash). This scope reduces in case of in-kind transfers because of the lack of fungibility of such kind of transfers. Thus it’s said that in-kind transfers have something called the “self-selection bias” in that only those who really need the in-kind transfer will opt for it. A note-worthy point to be made here is that universalization of anything- subsidies/ cash transfer increases the scope of inclusion errors tremendously because universalization implies that even the privileged/ non-deserving get the entitlements. This, to an extent, dilutes the case for a UBI. Thus,



a balance needs to be struck between targeting (to minimise inclusion errors) and universalization (to minimize exclusion errors).

Jayati Ghosh makes a fair submission here arguing that when it comes to basics such as provisioning of minimum food and fuel to very large populations, the problem itself is universal. Inclusion errors (by virtue of universalization) may have high fiscal and administrative costs but exclusion errors (by virtue of targeting) have a high moral cost. One efficient way of avoiding the issues associated with targeting is to implement employment guarantee schemes such as MNREGA since these have a self-selection bias and wouldn't lead to inclusion errors.

- The Economic Effects of Cash Transfers

It has been argued that Cash Transfers have multiplier effects which stimulate the economy and may lead to the development of input markets, in case of agricultural inputs. This has been argued by quite a few advocates of cash transfers. But it has also been contested equally. Jayati Ghosh, Mihir Shah, Sudha Narayanan, Ugo Gentilini- all suggest that it is these very markets which are an important prerequisite for cash transfers to be effective at the first place. For instance, studies around Bolsa Familia, Brazil's Conditional Cash Transfer Scheme (in which cash was transferred to beneficiaries contingent on them meeting certain parameters such as children attending schools or getting vaccinated) note that its success in increasing enrolment and attendance would not have been possible without educational policies designed to ensure concomitant improvements in the performance of children in schools and ensuring adequate public expenditure on health. Even the Economic Survey of 2016-17 conditioned the implantation of the UBI on a well-functioning financial system.

People have also highlighted that cash transfers can promote localized inflation because it increases the household's budgets causing an increase in demand for the given supply, leading to inflation. The argument is very fundamental in all the literature. This can be seen more in case of infra-marginal transfers (where the amount of transfer is lesser than the consumption prior to the transfer) which trigger an "income effect" (Ghatak & Maniquet, Universal Basic Income:, 2019)

These are the broad areas around which debates and discourses of cash-transfers are centred. One of the most important issues- what cash transfer can or cannot do to alleviate poverty- has been discussed below.



## 1.7 The Question of Poverty and Basic Income Capitalism: India's transition from a Developmental State to a Compensatory State

Most of the debate surrounding cash transfers (and Universal Basic Income) is on its capacity to act as a competent poverty alleviation measure. Here, it really matters what the understanding of poverty is. So if Arvind Subramanian, perhaps one of the earliest and staunchest advocates of cash transfers and Universal Basic Income argues that a UBI would be the 'fastest way of reducing poverty,' what does he mean by poverty? Thankfully, he didn't leave that to our guess-work and himself specified in one of his earlier papers - *"no direct cash transfer scheme like the one we proposed is intended to be a "Developmental" project in the broad Amartya Sen sense of the term- allowing people a broad set of political and economic capabilities. Rather it is a narrow scope of providing income to cross the poverty threshold- closer to a welfare scheme."* ('More on Direct Cash Transfers', Economic and Political Weekly, Vol. 43, Issue No.47, 22 Nov, 2008) (Subramanian, Kapur, & Mukhopadhyay, 2008)

As can be seen from the statement above, Subramanian, much like his other counter-parts advocating cash-transfers as a tool to alleviate poverty, tends to view poverty in very narrow terms- as monetary deprivation- not taking into account that monetary deprivation is more a symptom of poverty than its cause. A cash or an income transfer can at best address the symptom of poverty but not its underlying cause- social, institutional, infrastructural, asset-based constraints. Ashwini Saith was among the few to point this out after the economic survey 2016-17 (which had an entire chapter dedicated to the possibility of implementing a Quasi- Universal Basic Income) ;he talked about how money does not directly translate into well-being and how the existence of considerable supply-side, institutional, informational, behavioral, and access-based constraints prevent this from happening. Similarly, challenging the very idea of cash transfers reducing poverty, Mihir Shah says that any anti-poverty programme will work only if it leads to an end of dependence on doles/ cash transfers. To end this dependence requires creating sustainable livelihoods for the poor. And these presuppose much more than transfer of cash. These demand skills, markets, technology, material inputs, infrastructure and institutions.

One may argue that a UBI/ cash transfer can become one of the *many* ways of mitigating the consequences of poverty even as other institutional reforms continued to be worked on, but that's where the fear of the sceptics of the 'basic-income paradigm' stems from- since the financial costs of a UBI make it extremely difficult to implement it unless other social provisions are compromised on. Almost all the literature on UBI mentions that there are heavy fiscal costs associated with it which is why a few advocate replacing all existing subsidies to make its implementation financially viable (Guy Standing, for example). Fiscal impracticality is also the reason why UBI can't be implemented in its purest form. This has led to alternatives like "inclusive growth dividend" (Ghatak & Muralidharan, An Inclusive Growth Dividend: Reframing the Role of Income Transfers, 2019) and "universal basic share" (Ray,



2016) coming up, which are bereft of either universality or “basic income”- ideas have ranged from reducing the coverage of the population to reducing the quantum of the transfer. For instance, the economic survey proposed 75% of population coverage while other conservative economists have gone as down as 50%. There have been suggestions of cutting down on non-merit subsidies and revenues foregone, but recent work highlights the issues with these suggestions (Himanshu, A proposal for universal basic services, 2017).

Perhaps, that’s why the likes of Bharat Ramaswami and Ashok Katwal argue that the success of cash transfers and Universal Basic Income in redistributing resources depends on how well they are meshed with existing subsidies or whether or not they end up crowding out expenditure on health and education. Many economists and development professionals including Jayati Ghosh, Sudha Narayanan, Jean Dreaze, Mihir Shah, R.Ramakumar fear that the crowding-out of public services may indeed become a true possibility- which will prove to be a very big-setback to the existing efforts of combating poverty. Himanshu, in one of his papers, makes a compelling argument by submitting that what India needs in fact, is not ‘basic income’, but access to ‘basic services’ – *“before talking about ‘basic income’, we need to talk about whether citizens have access to ‘basic services’ such as health and education provided by the government”* (Himanshu, A proposal for universal basic services, 2017). These basic services, according to him, will go a long way in addressing poverty- far more significantly than a minimum-income. His stance remains the same even with respect to direct cash transfers to farmers in agriculture. In his response to arguments seeking the replacement of all agricultural subsidies with cash-transfer to farmers ( made by Ashok Gulati, Siraj Hussain, Sweta Saini- among others), he argues that this would imply an abdication by the government of all its obligations- by taking away precious resources, it would make the farmer more vulnerable to both market as well as non-market induced risks since investments in basic infrastructure and other support measures necessary to support agriculture will get reduced.

As a matter of fact, some proponents of cash transfers and UBI- Vijay Joshi, Karthik Muralidharan, Maitreesh Ghatak, Pranab Bardhan, and to a certain extent, even Arvind Subramanian, do emphasize that while cash-transfers and UBI are good opportunities to explore, they should not be implemented at the cost of provision of basic public services. Some like Pranab Bardhan and Maitreesh Ghatak say that they would not support a UBI if it were to replace essential schemes like MNREGA, ICDS, PDS, and Mid-day Meals etc. This stance emerges from an implicit admission that these essential services and schemes are in fact necessary to deal with poverty. In so far as poverty can be looked at as having depth (one’s state of poverty can be far more serious than the other), breadth (there are multiple dimensions that influence the range of poverty– deprivations in terms of literacy, health, etc.), and time (how long one has been poor and its larger ramifications), cash transfers as instruments to alleviate poverty do seem woefully inadequate. (Clarke & Hulme, 2010)



Further, questions have been raised on cash transfers' ability to combat poverty when the idea of the poor itself is not fixated and is mobile-this makes the identification challenge a dynamic one (Rajadhyaksha, 2019). Since the incomes of the poor are volatile and millions move across the poverty line because of monsoon or health shocks, the question then becomes not of identifying the poorest households at one point of time, but every year. (Ibid)

Therefore, the tendency of viewing cash transfers as solutions to poverty in India, inspired by the outlook of global governance and developmental organizations to a large extent, conceptualizes a very narrow view of poverty and therein reinforces that very definition of poverty. This definition of poverty and concomitantly of development also tends to play into the neo-liberal framework because it argues that the role of the state can be reduced to just providing cash-transfers. Neoliberalism is in the first instance, a theory of political economic practices that proposes human well-being can best be advanced within an institutional framework characterized by strong private property rights, free markets and free trade. According to this framework, social good can be maximized by maximizing the reach and frequency of market transactions and minimizing the role of the state (Harvey, 2010). David Harvey, in his book, *A Brief History of Neoliberalism*, writes that the fundamental mission of the State apparatus in a neo-liberal set-up is to facilitate conditions for profitable capitalist accumulation on the part of both domestic and foreign capital.

It becomes important to bring forth the point here that cash transfer and Universal Basic Income (UBI) advocates have generally not seen any serious tension between a UBI and a capitalist-market economy (Ravallion, 2018). Veritably, Thomas Paine (1797) and Van Parijs (1995) argued for "Basic Income Capitalism" which essentially meant recognizing that the power of private ownership and free markets can leave too much poverty and inequality and therefore there is a need for a minimum income to be assured to all. Martin Ravallion argues that this is an instance of a more general motivation for social policies, namely a desire to "save capitalism from itself" including compensating losers for market oriented reforms with the onset of the neoliberal era. It is no wonder that the time period in which cash-transfers started occupying the global policy stage (1970s onwards) coincided with the dawn of neoliberalism.

Few in India have indeed pointed out how cash transfers debilitate the state's capacity to act in favour of the poor and therefore, by design, represent the embrace of the neoliberal policy framework (Ramakumar, Cash evangelism, 2012). *"If this immense deficit (The deficit of an abysmal track record in reducing poverty and instituting a universal social security system) is to be addressed seriously, the decisive involvement of the state is imperative. But the dogmas of neoliberalism, dressed up as sound finance and "efficient" delivery of services will further debilitate the state's capacity to act in the favour of the poor. The design of the Direct Cash Transfer scheme represents the embrace of one such dogma."* In fact, such a critique of cash transfers goes as far back as 1992, when Jayati Ghosh in one of her



papers argued that mainstream economic orthodoxy seemed to be pushing a policy stance that was arguing for almost a total dependence on the ‘free market’ mechanism and the prices emerging from it, in dealing with the agricultural sector (Ghosh, Twelve Theses on Agricultural Prices, 1992). It’s interesting that she pointed this out just during the time of European Union’s Common Agricultural Policy undergoing a massive shift viz. decoupling payments and ensuring a basic income support for the farmers with one of its reasons being: - *“delinking payments from production decisions helps the farmers to adapt to market conditions, thereby enhancing the competitiveness of the agricultural sector. By responding to market signals, smooth structural adjustment for the farming sector takes place”* (Official EU Policy Brief).

Ghosh specified that the general argument adopted in favour of income support, in the field of agriculture, involved highlighting the ‘market distortionary’ characteristics of price-support to farmers which sent ‘wrong signals to economic agents’ and acted as a major impediment to output expansion and income growth in most developing economy agricultures (an argument prevalent till date). The solution to the problem of agricultural development was thus seen as one of ‘getting prices right’, which in turn was seen as resulting from the minimisation of government intervention and switching to cash transfers to farmers since these were considered less market-distortionary.

Many like Ashok Katwal, R Ramakumar, Himanshu have argued that giving cash transfers in place of other agricultural subsidies, carries an implicit admission by the Government that it does not have development strategies to alleviate farm distress. In this view sacrificing a few percentage points of GDP to cash transfer based safety nets is the price to pay for this failure. Rathin Roy extends this argument to cash transfers in all areas by arguing that cash transfers as a whole, have become a compensatory scheme- through which the government is compensating for its failure to deliver on the developmental objectives because of corruption and inefficient productivity of public expenditure. This discernible shift, Roy argues, in the composition of public expenditure (in which the value proposition is to use public resources to put cash directly into individual bank accounts) in fact, marks a shift in the very nature of the Indian State from being Developmental to being Compensatory (Roy, 2019).

Thus, it’s important to understand that cash-transfers come with their own political-economy and tend to re-establish meanings of development within the framework of that political economy. This is not to argue that cash-transfers as welfare measures are ineffective or inefficient. These are largely contextual issues and can be studied only with respect to the realities of a specific sector, economy and society. My aim through this study is to understand how effective cash-transfers have been for farmers and agriculture- Rythu Bandhu, being the first cash transfer scheme for farmers, seems to be the ideal starting point for the same. The aim is to also assess what capacity building exercise the state of Telangana took for the implementation of Rythu Bandhu since that forms a very integral part of the effectiveness of the scheme. Also, assessing the LRUP as a capacity building exercise would help



understand the scope of modernized land-records acting as a premise for further developmental activities in India- regardless of whether those developmental activities take place through cash transfers or not.

Given below is a brief of the methodology and tools used to undertake my study. It also includes basic field details.

## 1.8 Methodology

My research includes two primary objectives, the methods adopted to study both the objectives have been different.

### Method and tools adopted for the First Objective

My first objective was to document the Land Record Updation Programme that Telangana Undertook from September to December, 2017. Both primary and secondary research was undertaken for this purpose. Since the LRUP was conducted by the Revenue Department of Telangana, the aim was to get in touch with and interview revenue officials at different levels of the hierarchy to get an idea of how each level of hierarchy was functioning whilst the exercise was underway. I wanted to cover at least one-two officials at each rung of the hierarchy. Given Below is a table of the Administrative Hierarchy of the Revenue Department. I interviewed at least one official from each level of the hierarchy:-

**Table 1.2:- Administrative Divisions and Designated Officers of the Revenue Department in Telangana State**

Administrative Division	Designated Officer
State	Chief Commission of Land Administration
District	Collector
Division	Revenue Divisional Officer
<i>Mandal</i>	<i>Mandal Revenue Official (Tahsildar)</i>
Village	Village Revenue Official ( <i>Patwari</i> )
Within Village	Revenue Inspector

*Source: The table was obtained by one of the revenue officials interviewed*

Semi-Structured interviews were conducted with Revenue Inspectors, Village Revenue Officials (*Patwari*), *Mandal* Revenue Officials (*Tahsildars*), Revenue Divisional Officers, Collector of Districts and an official at the Chief Commissioner of Land Administration's office. The questions in the semi-structured interview centred on the objectives of the LRUP, how the exercise was undertaken, what were the fixed responsibilities and who were the officials to report to, what were the time-lines and what the objectives were set, how were the disputes resolved and what other issues emerged during the exercise.



Although my study was primarily based out of Adilabad- the northern most district of Telangana, bordering Yavatmal, I also covered a few officials in Vikarabad district. My access point to the field was *Rythu Swarajya Vedika*- a farmers' rights organization based out of Hyderabad. They got me in touch with a few revenue officials in Adilabad, after which snow-balling was used to interview other officials.

Apart from this, Government Records on LRUP were used as secondary sources of research. Textual Analysis was used as tool to study these records. Further, *Rythu Swarajya Vedika* was kind enough to give me access to their *Kisan-Mitra Helpline* database. It was a farmers' complaint database which had records of farmers' complaints pertaining to LRUP made through phone-calls. This acted as a useful secondary source of information to assess LRUP.

### **Method and tools adopted for the Second Objective**

For my second objective of analysing the Rythu Bandhu Scheme, I used Quantitative Research Methodology – conducted a survey of 91 farmers in Talamadagu Village, Talamadagu *Mandal*, Adilabad, Telangana. The survey involved a questionnaire with close-ended as well as a few open-ended questions. I used proportionate sampling for the survey with land holding size of the farmers as the parameter (Marginal, Small, Semi-Medium, Medium, and Large). Given Below are the details:-

### **Basic Demography, Method and Sample details**

For my field survey, I got in touch with a farmers' rights organization based out of Hyderabad- *Rythu Swarajya Vedika*. The organization has considerable reach in Adilabad District and got me in touch with the Sarpanch (Village Chief) of Talamadagu Village in Talamadagu *Mandal*, Adilabad. Adilabad is the northern most district in Telangana bordering Yavatmal in Maharashtra. Most of the people in Adilabad speak Telugu while some (especially in the villages towards the north in Adilabad) speak Hindi and Marathi. Talamadagu Village is a tribal village with the *Gond* community forming the dominant tribe. It was earlier a reserved constituency and consisted of Kothur and Dorli villages. (Kothur and Dorli come under agency tracts as part of the Schedule-5 of the constitution with administration reserved only for Tribal communities; *Gonds* in this case). But later, Talamadagu got reorganized as part of a larger reorganization drive in the state and now exists as a village separate from Kothur and Dorli, administratively.

Because the state wise reorganization drive took place only after the *Samagra Kutumba Survey* (Henceforth, SKS) –a household level survey conducted by K Chandra Shekhar Rao immediately after assuming power in 2014- the SKS population data from which I drew my sample considered Talamadagu, Kothur and Dorli as part of the same village i.e. Talamadagu. And thus, even during my sample survey, I considered Kothur and Dorli villages, a part of Talamadagu. It made sense to do so since many farmers in Talamadagu held land in Kothur and Dorli and vice-versa.



Talamadagu village is a well located village and the headquarters of the Talamadagu *Mandal*. Because of this, it has good access to all the amenities including institutional credit (the Bank of Maharashtra is located right in the village next to the *Mandal* Revenue Officer's office), warehousing (with a warehouse just 200 meters away from the village) and market (with the Adilabad market just 20 Km away from the village). This apart, the primary crop grown in the village is cotton in Kharif Season, which is generally grown along with red-gram in the form of intercropping and other crops grown in Kharif Season include Soybean and Turmeric (Though only large farmers with resources cultivate this). The crops grown in Rabi season largely include Bengal Gram and Jowar.

According to the SKS data, Talamadagu, Kothur and Dorli combined have a total of 1,144 households with *Gonds* and *Naikpods* (a subset of *Gonds*) as the prominent Tribal communities. That apart there are also dominant non-tribal communities including *Yadavs*, *Munnurukapus*, *Reddies*, *VishwaKarmas*, *Velumas*, *Kummaris*, *Malas*, and *Madigas* (the last two being scheduled caste communities). The landholdings of the farmers vary widely from no land to more than 25 acres. As per the SKS data, across the three villages, there are 423 households with land and around 721 households without any land. Many of the people in these households with no land are employed either as agricultural labourers or as tenants leasing in land from other landlords, or are engaged in non-agricultural occupation. It's difficult to tell how many of the landless households lease in land and how many have members working as agricultural labourers in others' fields but based on informal conversations with the Sarpanch, it was gathered that tenancy in the village is a wide-spread phenomenon and also that at least 250 households are engaged in agricultural labour work.

Given below is a table showing the combined landholding sizes of the 423 households:-

**Table 1.3:- Combined Landholding sizes of the 423 households based on SKS data**

Type	Acres	Number of households based on	
		SKS Data	Percentage of total
Marginal	0.00-2.50	96.00	23.00
Small	2.50-5.00	142.00	24.00
Semi Medium	5.00-10.00	124.00	29.00
Medium	10.00-25.00	52.00	12.00
Large	25.00+	9.00	2.00
<b>Total</b>		<b>423.00</b>	<b>100.00</b>

Source: Compiled by author using Samagra Kutumba Survey Data, 2014

Throughout the chapter, Marginal households have been defined as houses with 0 to 2.5 acres of land, Small households as houses with 2.5+ to 5 acres of land, Semi Medium as houses with 5+ to 10 acres



of land, Medium as 10+ to 25 acres of land and large farmers as households with more than 25 acres of land. Also, a household defined as “small” implies that all members of the household together have land between 2.50-5.00 acres. This applies for all categories of households. Since males within households often split the land ownership among various members within their house, to evade land ceiling legislations, receive benefits that small and marginal land-holders often get (access to various schemes), looking at the household level land would have given a realistic picture of the status of the land and the farmers, as opposed to just viewing individual land ownership (which perhaps would’ve given a unduly high number of marginal, small and medium farmers who in actuality were large farmers and practicing cultivation on a larger scale)

Initially, the idea was to take a sample of 50 farmer households in the village and use proportionate sampling (a sampling strategy in which the number of participants from each subgroup in a sample is determined by their number relative to the entire population). This would’ve given me a sample as follows:-

**Table 1.4:- Sample details of farming households across different land-holdings based on Proportionate Sampling**

Type of farmer	Percentage in 50		
	Percentage of Total	households	Final Sample Households
Marginal	23.00	11.5	12.00
Small	34.00	17	17.00
Semi Medium	29.00	14.5	15.00
Medium	12.00	6	6.00
Large	2.00	1	3.00
	<b>100.00</b>		<b>53.00</b>

Source: *Computed by author using proportionate sampling of the Samagra Kutumba Survey Data*

(Note on the table: - Though, based on the sampling only 1 large household should have been surveyed, this would’ve been insufficient and thus 2 more were included. Small and Marginal Households were rounded off to give a total of 53 households.)

However, I got access to the *Samagra Kutumba Survey* (SKS) data somewhere in the middle of my field work since the data was not a part of the public domain and it took a lot of persuasion for the *Mandal* Revenue official to give me access to the data. Thus in the initial days of the survey, I was relying on the estimates given by the Sarpanch and a couple of other and farmers and coordinators in the village and farmers working as coordinators with Rythu Swarajya Vedika. According to their estimates, the number of marginal households in the village was greater than what I later found in the Samagra Kutumba Survey, this led me to oversample the number of marginal households. I had already



surveyed 20 Marginal Households by the time I got access to SKS data (8 more than what the sample size required) and decided to nevertheless include them in my survey because the insights were interesting. Thus, **my final sample of landed households** looked like this:-

**Table 1.5:- Sample details of farming households across different land-holdings based on Proportionate Sampling (Revised)**

Type of Farmer	Number of households	
	surveyed	Percentage share in total
Marginal	20	32.79
Small	17	27.87
Semi-Medium	15	24.59
Medium	6	9.84
Large	3	4.92
	<b>61</b>	<b>100.00</b>

Source: *Computed by author using proportionate sampling of the Samagra Kutumba Survey Data*

In addition to this, I also surveyed 30 landless tenant households, to gauge the impact of Rythu Bandhu on tenants in terms of various parameters such as lease rate (because economists like Ashok Gulati predicted that the exclusion of tenants from Rythu Bandhu would lead to the markets adjusting the “tenant rents automatically”), whether landlords actually shared the amount with the tenants, as was claimed by the government, their choices and preferences with respect to cash transfers, Minimum Support Price, subsidies and its forms, etc. Thus, my total sample size was of 91 households including 61 households with land holdings and 30 landless tenant households. It’s important to state that in my sample size of 61 landed households, 5 households- 2 marginal, 2 small and 1 large- had leased in land, in addition to owning their own land. (This was a common phenomenon in the village- especially with respect to small and marginal farmers, who in addition to cultivating their own land, also leased in land). Thus, some marginal and small farmers in the village were also tenants. Again, the numbers are difficult to estimate as tenancy is not officially recorded and is largely oral in Telangana, especially after the Agricultural Tenancy Amendment Act 1976 (which made leasing and tenancy provisions very stringent).

I formulated a basic questionnaire which pertained to all farmers regardless of whether they owned land or not, a questionnaire specifically for farmers with land and a questionnaire specifically for tenants. The Sarpanch of the village- Kalyan Karunakar Reddy- a large farmer with 40 acres of land, also associated with Rythu Swarajya Vedika, was my access point to the village and helped me with translations along with one other Rythu Swarajya Vedika coordinator. Since there was a language barrier and I didn’t know the village enough, the sampling was not random and was facilitated by Rythu Swarajya Vedika coordinators. **The chapters ahead discuss my field work and findings in detail-**



**first with respect to the Land Record Updation Programme and then with respect to Rythu Bandhu's assessment.**

## **CHAPTER-2**

### **LAND RECORD UPDATION PROGRAMME**

#### **(The Devil is in the Details)**

Through this chapter, I aim to document the Land Record Updation Exercise that took place from September 2017 to December 2017 in Telangana as a pre-requisite for the implementation of the Rythu Bandhu Scheme. For a scheme that is premised on land-ownership, it is crucial that there are updated and real-time land records. It was for this purpose that the Land Record Updation Exercise – an exercise that largely involved the textual updation of all land records in the state within a stipulated period of time- took place. Studying the process becomes all the more important with the latest trend in the country of linking cash-transfer and other welfare benefits to land records, (as seen with Rythu Bandhu at the state level and PM-KISAN at the central level) since the implementation of the process would then go on to define the effectiveness of the scheme (and the scope of its inclusion and exclusion errors). I will be documenting the process, highlighting its fundamental flaws and arguing that a process as significant as building the entire land records infrastructure of the state can't be driven by immediate purposes like preparing grounds for the Rythu Bandhu, rather has to be a continuous comprehensive process within the framework of the Digital India Land Record Modernization Programme- a programme as important for governance as for the need of the capitalist state to have a seamless land market. I will have to give some basic definitions of land records, the uses of land titling and land record modernization and the history of land records in Telangana before all this to establish the context.

I have interviewed government officials across the revenue machinery – ranging from the Village Revenue Inspectors who were involved in conducting the process on ground to the officials in the Chief Commissioner of Land Administration (CCLA) office. I have also interviewed farmers and contacted farmer organizations based out of Hyderabad. My study is essentially based in Adilabad (the northernmost district of Telangana bordering Maharashtra).

#### **2.1 Establishing the context**

Discourses around land title insurance to help make land more marketable (Burman, 2019) use of blockchain technology to help create a robust property rights system to facilitate investment in land (Bal, 2017) and efforts to digitize the land record database so as to create an “integrated land market” have become popular off late with many global governance organizations like the World Bank emphasizing the need of having modernized land records. Modernized, Real-Time Land Records, it



has been argued will spear-head investment in land and will make it easy to deliver socio-economic entitlements premised on land –records. A lot of work has been done to establish the benefits of digitized land records and formalized land titles- the link between clear land titles and access to formal credit (Sanjak, 2012), the socio-economic benefits of land registration and titling in the presence of robust financial markets (Feder & Nishio, 1998), the correlation between the degree of tenure security and farm investment per unit land (Lemel, 1988) and the increase in transparency and accountability that an integrated digitized land information system would lead to (Behera, 2009) to name a few. The Peruvian Economist, Hernando De Soto, who is among the leading proponents of the merits of a secure tenure, goes as far as to say that the lack of formal property rights system is the root cause of poverty in developing nations and that doing away with “dead capital” is crucial for such nations to realize their economic potential (Soto, 2000). The Digital India Land Records Modernization Programme (DILRMP) assumes significance in this context. With the express purpose of developing an appropriate integrated land information management system and making India a seamless land market, the programme came into force on 1<sup>st</sup> April 2016 with a budget of Rs 150 Crores. It is a revamped version of the National Land record modernization programme of 2008 and aims to computerize land records, implement surveys and spatial mapping using modern technological systems, computerize registration under the registration act and help build capacity at the *Tehsil* and *Taluk* levels.

While the importance of a comprehensive, integrated and digitized land user database to enhance efficiency in the economy, for better service-delivery and provision of state services cannot be undermined, major questions need to be raised about how an integrated land market with real-time land records will also make it much easier for capital to seep in and businesses to grow, riding roughshod over the interests of the inhabitants. Questions also need to be raised regarding the feasibility of such a land-modernization process in India- its tendency to be fraught with complex bureaucratic, administrative and regulatory oversight, the scope of such a process taking place without an actual spatial survey of land records, its ability to reinforce existing caste-class hierarchies and the capacity of the process to actually benefit those that it claims to- need to be raised and discussed. Through this chapter, I attempt to focus on one such exercise in Telangana. I seek to document the **Land Record Updation Programme (LRUP)**- an attempt to update textual Land Records by the government of Telangana from September to December 2017 in order to have ‘purified’ land records. Though the immediate objective of the LRUP was to have clean land records for the implementation of Rythu Bandhu in 2018, it was also a step towards having an appropriate integrated land information management system and should be seen in tandem with the DILRMP initiative of the central government in 2016. I aim to document the entire process of the LRUP, highlight the loopholes that existed in a process that otherwise has been hailed as a massive success in the media and argue that the intent with which the process was carried out, also determined to a large extent its execution.



## 2.2 What are Land Records?

Land Records, in simple words, are records which contain information about a parcel of land. These records are of various types and give out information ranging from ownership details and the area under the land parcel to the spatial boundaries of the land and its encumbrances. Although there are state wise variations in land records because land is a state subject, land records can broadly be classified into three categories.

### (i) <sup>5</sup>Record of Rights

The first and basic type of a land record document is the ‘Record of Rights’ or the RoR. Record of Rights are maintained by the Revenue department in every state and reflect ownership and other interests in individual land parcels. These records are nothing but an extract from the land records registers held by the revenue department of each state and are supposed to contain complete information regarding the land property and the history of holders of land.

The structure of the document and the information it provides differs across states. Typically, it provides (i) names of individuals who have acquired some rights with respect to the land, (ii) the nature and limits of their rights, and (iii) the rent or revenue to be paid by them. These rights could be ownership, long-term lease-holds, or tenancy related. The RoR may also capture information regarding loans taken by the occupant, details on the rights of the owner or occupant of the land, and any community or government rights on the land. The revenue department which maintains the Record of Rights is in charge of both- (i) Records in which land is recorded as per survey number/ parcel number (survey number document), as well as (ii) Records in which land is recorded as per land owner.

### (ii) Deeds

The second type of land records are deeds/ contracts registering the transfer of land from one party to another. In simple words, deeds contain information about the transfer of land. These deeds are maintained by the office of sub registrars (SROs) under the registration act of 1908. Typically, sale deeds state that the transfer of land has taken place from one party to another, contain information on the market price of the land and details of the past transactions of the land. The Registration Department is responsible for managing sale deeds and undertakes verification of encumbrances and registration of transfer, mortgage etc. of the land. Sale deeds are registered on a stamp paper, and the value of the stamp paper is known as stamp duty.

Once a deed is registered, the details about the transaction are sent to the *Tehsil* office to start the process of mutation and reflect this change in the record of rights. Mutation is the process of recording the

---

<sup>5</sup> Some of these are definitions of what the various type of records are and have not been tampered with. They have been extracted from the PRS website and V.K. Ramachandran’s report to the Kerala Government.



change of title of a property in land records. This process more often than not doesn't take place properly due to a lack of coordination between revenue and registration departments. After the mutation/ transfer comes into effect, the *Tehsil* office provides documentary evidence of right over land in the form of a *Patta*. This *Patta* is then provided to the buyer as an evidence of land right.

### **(iii) Spatial Land Records**

The third type of land records are spatial land records that contain the physical, spatial boundaries and the area of land parcels on a map. These are prepared and maintained by the Survey and Settlement department. The department also maintains survey and settlement registers and undertakes resurveys of land parcels from time to time. The maps maintained by this department include land boundaries, plot areas, connectivity with roads presence of water bodies, details of surrounding areas, land use and land topology. The property-level sketch is supposed to be updated every time a new entry is made in the Record of Rights (RoR) document although that seldom takes place.

The land records spread across the three offices of the state government operate at different vertical levels. Deeds recording a transfer of interest in land, which are registered, are maintained with the Sub-Registrar's office at the level of districts or sub districts. Revenue records/ the record of rights (RORs) are maintained at the revenue record offices at the *Mandal*/ village level. Cadastral maps are also maintained at the *Mandal*-level but by the survey and settlement offices.

Because the three departments work in silos rather than in sync, and because the data across these departments is not updated properly, there are widespread discrepancies often noted in land records. For instance, in the past, surveys to update land records have not been undertaken or completed, and maps have not been used to establish actual property boundaries on the ground. Registered deeds/ contracts which indicate a change in the ownership status of the parcel of land have often not been updated by the revenue department due to a lack of coordination between the registration and revenue departments, and spatial maps have seldom reflected the actual extent of land on ground. Therefore, in several records, the property documents do not match the position on the ground.

Thus, in order to establish clarity in land records and improve their quality in order to make them more accessible, the central government implemented the National Land Records Modernization Programme in 2008 which later became the Digital India Land Record Modernization Programme in 2016.

## **2.3 The Digital India Land Record Modernization Programme: Genesis and Current Status**

India follows a deed-based registration system which means land ownership in India is primarily established through a registered sale deed. Other documents used to establish ownership may include the record of rights, property tax receipts and land survey documents but none of these documents guarantee a title to a property which has been backed by the government; rather they just prove that a



transfer of property has taken place. During such transactions, the onus of checking past ownership records of a property is on the *buyer*.

Thus, a chain of transfer deeds has to be available along with other documents for the ownership of a title to be proven and a transaction to take place. To put it simply, the registration of deeds and documents requires probing into past ownerships and transactions of properties to establish non-encumbrance (Ramesh, 2019). Thus, land ownership in India, as determined by sale deeds, is 'presumptive' in nature, and subject to challenge and judicial scrutiny. *This means that a deed does not in itself prove title; it is merely a record of an isolated transaction. If properly drawn, it shows that a particular transaction took place, but does not prove that the parties were legally entitled to carry out the transaction and consequently does not prove the transaction valid.* Since India follows a deed registration system and not a title registration system, titles in India are presumptive in nature, and not conclusive.

In order to move to a conclusive titling system wherein titles to a land are backed by the government and land records mirror the ground reality, the government launched the ambitious National Land Record Modernization Programme (NLRMP) in 2008. The roots of NLRMP can be traced back to schemes started by the government on the computerization and updation of land records on a pilot basis as early as 1987-88. When programmes like Strengthening of Revenue Administration and Updating of Land Records (SRA&ULR), and Computerisation of Land Records (CLR) proved to be ineffective and the situation of land rights and titling remained dismal, the central government merged the two into one and launched the National Land Record Modernization Programme (NLRMP) in 2008. This gained further traction after the committee on Financial Sector Reforms (FSRC) in 2009 recommended moving from a 'presumptive' to a 'conclusive' titling system. As per the programme, land records in all districts were supposed to be computerized and updated by 2017 using a Public-Private-Partnership model (Bal, 2017). The scheme did not make much headway and consequently the revamped NLRMP was introduced in 2014 as the Digital India-Land Records Modernization Programme (DILRMP), with its inclusion in the Digital India initiative of the government. Although it began as a centrally sponsored scheme with joint central and state government funding, by 2016 it had evolved into a centre sector scheme with 100% funding from the central government for all of the scheme's components. (Narayanan, Prabhakar, Shaikh, Uday, & Zaveri, 2018)

Much of the discourse surrounding a comprehensive digitized land information system of which the DILRMP is a product, stems from the need of having land records based on the *Torrens System of Titling*. Sir Robert Richard Torrens, a South Australian established the Torrens System of Titling in 1858 in South Australia. He is credited for having designed as well as implemented a method of recording and registering land ownership and interests such that they follow the:-



- Mirror Principle: - That the land titles Register at any given time should reflect/ “mirror” the ground reality i.e. that they should be “*real-time records*”
- Curtain Principle: - That the record of the title reflects conclusive ownership status making probing into past transactions and titles of property unnecessary
- Title Guarantee and insurance: - This principle advocates indemnifying the title owner against any loss arising due to inaccuracies in recording. Hence moving towards conclusive ownership also involves a system wherein the government provides guaranteed titles, and compensation in case of any ownership disputes. Achieving this will require shifting to a system of registered property *titles* (as opposed to sale *deeds*) as the primary evidence of ownership and having clear and updated land records

The DILRMP seeks to achieve precisely this- aiming to establish a property rights regime with conclusive land titles that act as a conclusive and unassailable proof of ownership. Broadly, the main aims of the DILRMP are as follows-

- 1) To usher in a system of updated land records
- 2) To have automated and automatic mutation
- 3) To integrate textual and spatial records
- 4) To enable Inter-connectivity between revenue and registration, and
- 5) To replace the present deeds registration and presumptive title system with that of conclusive titling and title guarantee

However, more than 10 years after the initiation of a consolidated effort to move towards conclusive ownership of records, the progress has been uneven and far from satisfactory. As of September 2017, only six states/ Union Territories had completed the computerization of land records **entirely** and as many as five states/Union Territories had not even started. Only two states had managed to almost complete the process of linking the <sup>6</sup>cadastal maps to the Record of Rights by September 2017 (PRS Legislative Research, 2017). The progress in terms of computerization of land records at a *country level* was a bit better- 86% of land records had been computerised implying that 86% of the record of rights were available in a digitised format and uploaded on the system, from which citizens could access this information. However, only 47% of the mutation records (recording the transfer of ownership) had been computerised. If the intent of digitising records is to have easy access to correct data, real time updating of property records becomes essential. But real time updation of RoR and maps had been undertaken for only 15% of the land records as of September 2017 (Ibid).

---

<sup>6</sup> Spatial land record is provided by a Cadastral Map (CM) which is a legal map for recording ownership of property along with the description of the boundaries.



In fact as recent as in November 2019, the Ministry of rural development set up four zonal monitoring committees headed by a joint secretary level officer, to undertake comprehensive monitoring and impact assessment of the two key programmes of the department of land resources- the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) and the DILRMP -since the progress under the schemes remains slow.

Moving towards a conclusive system of titling requires wide ranging efforts from ensuring that all existing land records have been updated and are free of any encumbrances to consolidating information on land records, spread across multiple departments. A key feature of conclusive titling is the interconnectivity across the land records departments and databases. Even a cursory glance at the DILRMP website would indicate that there's a long way to go to achieve this.

The National Council of Applied Economic Research, National Institute of Public Finance and Indira Gandhi Institute of Development Research recently undertook an impact assessment of the National Land Record Modernization Programme 10 years since its launch in 2008. Their assessment, which took place in Himachal Pradesh, Rajasthan and Maharashtra exhibited variation between on-ground situation and land records information. For instance, in Himachal Pradesh, the variation in Record of Rights information and on-ground area was high (around 78% in Shimla and 52% in Baddi) and in Maharashtra, only 3.79% of the total cadastral maps were digitized that too using old survey techniques- in the *Tehsils* of Mulshi and Palgarh where the study was conducted (Narayanan, Prabhakar, Shaikh, Uday, & Zaveri, 2018). The Maharashtra phase of the study further revealed that the digital connectivity between the registration department and revenue department was rendered ineffective in due to poor connectivity, server breakdowns and power shortages.

One of the reasons why the DILRMP process has been tardy and slow in its implementation is perhaps because the systems of maintaining land records in India are heterogeneous, fragmented and difficult to standardize. Legal and administrative regimes governing land and property differ from state to state and even between rural and urban areas. In addition, India does not guarantee the legal conclusiveness of land records maintained by state governments and these records can easily be rebutted in a court of law (Bal, 2017). This is vindicated by a survey conducted in 2015-16 as per which two-thirds of the civil cases in district courts pertain to land/ property issues. (Access to Justice Survey, 2015-16) In such a scenario, with a complex land record system – also impacted by the kind of colonial land revenue administration system that existed- the land record digitization and updation exercise has to be comprehensive in nature and must involve regular spatial survey and re-surveys of land using modern technologies such as e-Trex GPS devices/<sup>7</sup>Geo-Referencing/ ETS (Electronic Total Station) by trained staff. Only then can one aim to achieve formal and clear land records and titles.

---

<sup>7</sup> Geo-referencing refers to the phenomenon where the internal coordinate system of a map or aerial photo image can be linked to a ground system of geographic coordinates.



Although a lot has already been said in existing literature about the need of having formal land tenures and their concomitant impact on the economy, it might be useful to go over some arguments highlighting the need for formal land records and land titles.

## **2.4 Why are Formal and Clear Land Records needed-The Rationale**

It goes without saying that most of the arguments advocating property rights reform and clear land titles are within the larger framework of an outlook that views land as a mere commodity-the same framework has led to the privatization of former communal land and the devolution of its ownership from community or clan to family, disenfranchising and excluding many in the process. It's interesting to see how the narrative of development offered by development agencies such as the World Bank and the Food and Agriculture Organization of the UN pose formal land tenures as the panacea for pressing concerns of poverty and hunger; while some others like De Soto suggest that the value of capital tied up with land is estimated around US\$9.3 trillion and that the amount can be utilized by way of establishing formal land titles and converting land into a "seamless market". In addition to this, there are multi-faceted arguments that seek to establish the use of formal land titles in facilitating access to credit, increasing land productivity and so on. Some of the arguments in favour of formal land records are as follows:-

### **(i) Land Registration and Titling Leads to better access to credit**

This argument has been established by both Indian and foreign authors. Because land is fixed and not mobile, it reduces the monitoring cost of the lender making it an ideal collateral (Sanjak, 2012). Furthermore, collateral arrangements based on land are crucial to lending institutions because they partly or fully shift the risk of loss from the lenders to the borrowers since a default on loan would trigger the loss of land to the borrower (Byamugisha & Frank, 1999).

Feder and Nishio argue that land titling enhances tenure security, facilitating access to institutional credit. Banks are more likely to give loans to people with clear land records and titles- which act as a safeguard to their collateral. The logic behind this is simple. When there exists an entire legislative system enforcing property rights, the risk the owner faces of losing the land due to ownership disputes, eviction, expropriation by the government etc. reduces, consequently safeguarding the collateral of the bank. This also leads to the loan being available at a much lesser amount as information asymmetry reduces (Feder & Nishio, 1998).

Apart from this, wide-ranging studies have been carried out across the globe including in Thailand, Costa Rica, India to establish a link between institutional credit and land titling. However, Sudha Naryanan argues that clear land titles is just one of the enabling factors to ensure better access to credit and that just by virtue of having clear land titles, one's access to credit may not increase. Factors such as size of land, existence of a robust institutional financial markets, purpose of the loan, duration of the



loan, caste and class barriers -all together play a role in determining whether land titling leads to better credit access (Narayanan & Chakraborty, Land as Collateral in India, 2019).

**(ii) Link between Land Titling and Land productivity:**

Tenure Insecurity is the risk the owner faces of losing the land due to ownership disputes, eviction etc. Registration systems and land titles have emerged to reduce such tenure insecurity. By ensuring an entire legislative system enforcing property rights is in place, land titles reduce tenure insecurity thereby increasing the owner's incentive to invest in their land, say for instance, in the form of establishing drainage, structures clearing stones and trees and other improvements which would lead to a rise in the commercial value of the land (Feder & Nishio, 1998). With ownership officially documented and verified, the risk of challenges to ownership reduce ; the likelihood of bearing high costs to establish one's ownership over land is reduced and consequently one's incentive to invest in the land gets increased thereby increasing land productivity. Another reason why land productivity increases is because of cheaper availability of loan.

Anirudh Burman argues that the lack of reliability of records inhibits investment (both for agriculture and industry), since possible investors may not be able to determine the precise nature of rights and encumbrances on a piece of property. Thus titling of land records would invariably lead to greater investment opportunities and greater flow of capital (Burman, 2019). Meanwhile, studies across the globe indicate links between land titling and investment. In Costa Rica, for example, it was found that a correlation existed between the degree of tenure security and farm investment per unit of land. Meanwhile, in Thailand, land titling was found to stimulate land transactions, and in Indonesia, it was established that higher security of tenure led to higher land prices (Bal, 2017).

Another way in which land registration increases productivity is by facilitating the *most efficient utilization of the land*. It has been argued that there may be a possibility of the current occupants and owners of land not knowing how to use it most efficiently. Thus land rentals and sales which become much easier because of land titling, would lead to the passage of the land to someone who would utilize the land much more efficiently, ensuring greater productivity (Feder & Nishio, 1998).

Thus, Titled Land provides more security to the farmer, as well as to the lender. More security to the farmer leads to higher demand for investment which further leads to higher investment and also leads to higher output thereby increasing the market value of land. More security to the lender leads to more supply of cheaper credit in both the long and the short run.

**(iii) Having formal and clear land titles leads to a reduction in transaction costs**

Transaction costs are costs associated with the process of exchange. The costs of arranging a contract include the direct costs of generating relevant information, of drafting, negotiating and safeguarding the agreement etc. Once the contract is executed, there are also costs of monitoring and enforcement such



as the costs of formal legal action when disputes arise, the costs of dealing with the adverse manipulation of contract provisions etc. Modernization and digitization of land records will reduce these costs drastically. The time taken to retrieve a copy of the RoR becomes much faster if the RoR is available digitally. The process of undertaking registration becomes faster with the online availability of the stamp duty. There are many examples like these.

What will inadvertently take place, by way of formal land titles, is that the costs involved for a citizen to access and correct records will reduce, **making service delivery to the public much more efficient and effective.** In fact, this is also one of the primary objectives of the land record modernization process and is part of the instrumental value of formal land tenures.

Along with this, modernization and digitization of records will allow easy storage, will increase accessibility of the document, will permit multiple access, will be time-saving, will provide better security, will reduce costs associated with document search, will reduce costs associated with the physical storage of paper copies, will also ensure easy document recovery and permit easy movement. (V.K. Ramachandran, 2019)

#### **(iv) Benefits of Land titles for the larger economy as a whole**

This argument is a logical corollary of the preceding ones. Secure land ownership will lead to greater farm productivity, greater investment in land, greater access to credit and consequently accelerate the economy to a path of higher growth. Byamugisha argues that formal land tenures and titles will lead to a good impact on not just one sector, but on the economy as a whole. Many sectors in the economy involve land such as agriculture, industry, forests, mining, fishing, construction, services etc. Hence the cost, speed and efficiency with which land is acquired contribute to the level of investment in question. Titles will ensure an improvement in all the three aspects.

Besides, formalization of ownership of land rights will also lead to labour mobility as a land owner can go and look out for jobs assured that his/her land is secured- meanwhile the land can be worked on by tenants and agricultural labourers (Byamugisha & Frank, 1999). But this may also lead to a situation of absentee-landlordism often encountered in the villages of India, wherein the benefits of the land accrue to the owner who barely contributes to the functioning of the land. Apart from this, significant efforts have been made by researchers across the globe to quantify the economic benefits of land ownership. A study in India found that land registration leads to significant interest payment savings (Bal, 2017).

#### **(v) Land Tenure modernization may pave a way out of the complex fragmented status of existing land records**

Because India inherited the current system of land records from the colonial era which had different systems of land administration- The Zamindari System, Ryotwari System and Mahalwari System to name a few- land records that India ended up inheriting were fragmented, heterogeneous and provided



information on who possessed the land as opposed to who owned it. This invariably has led to a system wherein ownership has to be established based on who is in current possession of the land and such possession is determined by probing through a sequence of transactions in the past pertaining to the land parcel. Thus the presumptive titling system (as explained in earlier sections) is complex and cumbersome and fraught with complicated bureaucratic procedures.

Land record modernization may prove a way out of this. If the Centre and the states indeed utilize the funds allocated to DILRMP entirely and undertake the physical resurvey, modernization and digitization of all land records on a war-footing, the system of land administration would become way simpler and act as a route to a comprehensive, real-time, digitized and conclusive land information system.

More recently, ideas have started floating around the use and potential of blockchain technology for land registry in India (Bal, 2017). It has been argued that the use of blockchain will make the system of land administration in India much more transparent, cost effective and efficient. Meghna Bal, writing for the Observer Research Foundation argues that the use of smartphones as a one-stop-shop for all property related transactions will significantly reduce the inefficiency of the current system by cutting down the number of intermediaries that deluge the current title regime. The tamper-proof nature of the blockchain will also help curb corruption as patwaris/ village revenue officials will not be able to go back and change land records in exchange for a bribe.

But to even think of ideas such as blockchain, India will first need to undertake the basic process of modernization and digitization of land records. There are four broad stages of land record modernization (V.K Ramachandran, 2019) :-

- 1) Digitizing existing textual records

Each state begins by digitizing existing textual records. The process starts with digitizing two main textual records – the survey number wise document (Known by different names in different states) and the landowner wise document (Patta Passbooks). The land record updation programme of Telangana gained popularity for having undertaken a mass campaign to update and digitize existing textual records. I will be discussing this in detail in the further sections.

- 2) Converting existing maps into digitized form

In this stage, existing spatial data (cadastral maps) is converted into digital form, but without full geo-referencing. States in this stage making preparations for plot-level geo-referencing. Digitization of maps can take place both through scanning and through vectorization (similar to geo-referencing), though the latter is considered more reliable.

- 3) Survey/ Re-Survey, resettlement, registration



This involves conducting physical surveys to get real time information about the status of land records with respect to ownership, extent, possession etc. This also involved getting the land records registered with the registration department so that they become legally tenable. If survey/resurvey and settlement/resettlement are to be completed in a reasonably short span of time, modern technology needs to be invested in. Of late, the accepted technology to best generate 3-dimensional geographical positioning data is called CORS (Continuously Operating Reference Station) technology. CORS is a satellite based technology and involves the establishment of base stations in different parts of the state. A base station is a small receiver to place on a small tower, generally on top of a building. This is used to generate a 3 dimensional geo-position information in a matter of seconds, and within 5-7 centimetre accuracy. Tamil Nadu has established around 80 base stations across the state and Andhra Pradesh is going to install this technology.

#### 4) Merger of land ownership data with land use data

Merging of land ownership data with land use data is important for it helps with more efficient and targeted delivery of public services. At present, only Andhra Pradesh has made progress in merging agricultural land use data with land ownership data.

Different states are at different stages of the land record modernization process. Karnataka for instance, is known to be the pioneer of modern land records so to speak. Its flagship project BHOOMI has gained popularity for automating and modernizing the process of producing the Record of Rights, Tenancy and crops (RTC) and managing applications for changes in the mutation register. Similarly, Haryana launched HARIS (the registration software), HALRIS (a software encompassing digitized land records along with updations and mutations) and Bhu-Naksha for spatial data and property subdivisions. States like Bihar, Himachal Pradesh and Gujarat have also launched their own digitization efforts but with limited success (Panicker, 2015).

Telangana's initiative of undertaking a mammoth textual updation of its land records (mainly corroborating the *Patta* Passbooks of the land owners with the Record of Rights existing at the revenue department) from September 2017 to April 2018, can be viewed within this larger context of digitization efforts. But the sheer urgency with which the exercise was carried out and the relatively narrow scope of the exercise indicates that the aim was to meet *more immediate objectives* viz. preparing grounds for the roll out of the Rythu Bandhu Scheme. Varun Panicker, a senior associate at the Indian Institute for Human Settlements writes that "*From the outset, it was apparent that the Rythu Vari Bhu Survey was not a cadastral survey or re-survey exercise as delineated in state land revenue legislations, despite being carried out by the Revenue Department. Instead, it tailored its objectives to meet the capacity-building requirements of rolling out the Rythu Bandhu scheme.*"

The chief minister of Telangana, K Chandrashekhar Rao himself recounted in his address that the land records in the state were in poor shape making it difficult to ascertain ownership of land parcels.



Therefore, the updation exercise or what the state calls the “purification drive” was launched with the primary objective of updating textual land records with the ownership details for agricultural lands. The exercise was supposed to be undertaken from September 2017- December 2017 but given the complex, multilingual and fragmented nature of land records Telangana inherited owing to the Nizam’s rule, the exercise took longer and extended till March-April 2018, as confirmed by officials in the revenue machinery.

## **2.5 A glimpse of Telangana’s land history: From the dominion of Nizam to the present day**

### ***The Nizam Era and the “Sethwar”***

Feudal Oppression has been a dominant feature in Telangana's historical landscape. The basic feature that dictated the socio-economic life of the people of Hyderabad was the unbridled feudal exploitation, which was in fact one of the primary reasons for Telangana’s armed peasant revolt. The Nizam is infamous for his rule and for establishing the *Jagirdari*<sup>8</sup> system with approximately 40% of Hyderabad falling under the direct rule of Jagirs- namely the- *Sarf-e-khas*, *Paigas*, *Samasthanams*, *Jagirdars*, *Inamdars*, *Maktedars*, *Ijardars*, *Banjardars* and *Agraharams*. The *Jagirdari* system consisted of wide ranging feudal oppressors- each with its distinct characteristic of oppression and the service they provided to the Nizam. Some of these feudal oppressors had their own revenue officers to collect the taxes that they would impose, some used to pay a small portion to the state even as others weren't required to pay anything. Interestingly these feudal regimes managed to establish their very own police, civil, criminal and revenue systems. This is true especially of the big feudal oppressive regimes viz. *Jagirs*, *Paigas*, *Samsthanams* (Sundarayya, 1972).

In addition to this, the first ever survey settlement that took place in Telangana under the Nizam regime was extremely *biased* towards the feudal lords. The major portion of the lands cultivated by the peasants came to be occupied by the landlords- who got lands registered in their names without the knowledge of the peasants and the peasants came to know of it only afterwards (Sundarayya, 1972). As a result, feudal lords, owing to their social and political clout got possession of unlimited vast lands and made them their legal possession. Sadly, this power hierarchy became the *basis* of all subsequent survey exercises that were carried out including the one from 1932 to 1934. In fact, Palla Trinadha Rao in his ‘land right series’ argues that the land survey and settlement operations during the colonial rule and thereafter were just a means of legitimizing the imposition of unfamiliar modes of governance on tribals. He specifically mentions the Survey and Settlement operation from 1932 to 1934 and writes that “*the Madras Estates Land Act 1908 was one of the earlier efforts of land reform initiatives. It ensured that so long as the tenant paid his share of cultivation, he was not evicted from tenancy. The problem was*

---

<sup>8</sup> In the Jagirdari system, ‘Jagir’ was basically a grant of villages awarded to a grantee (sometimes in exchange of the services rendered by the grantee- Military and Administrative services) from the ruler of the state. The Jagirdar was not the owner of the land and was merely responsible for collecting revenue from the piece of land



*that this was made uniformly applicable across all areas and failed to make a special provision for Scheduled Tribes (STs). The non STs who migrated to tribal areas took advantage of this provision and during the land surveys of 1902 and 1932-35 got their lands surveyed in their own favour as there was no bar on non STs Acquisition of tribal areas.”*

He further writes “*In fact in the 1934 survey, non-STs were given land amounting to 98000 acres in the East Godavari district agency area. STs claim that more manipulation took place in the 1933-34 resurvey and settlement operations than in 1919. Names of non-ST cultivators were incorporated in land records and non-STs claimed rights based on such fraudulent entries in the land record. These entries became hurdles in the implementation of tribal protective land laws. Thus Settlement operation of 1932-34 was regressive for tribals and violative of their rights*” (Rao, 2014).

Thus, enough literature exists to show how biased the survey and settlement operation of 1932-34 was. Curiously enough, the document produced by this very Survey, Settlement and Bandobust operation - the <sup>9</sup>*Sethwar*- has been considered the base document for the Land record updation exercise of Telangana and for the larger digitization effort in the state. Based on interviews with government officials across Telangana, it is evident that the 1932-34 Survey Settlement and Bandobust Operation is considered a very significant and comprehensive exercise and is also deemed one of the oldest and the most authentic sources of land records by the Telangana state machinery. It’s for this reason perhaps that the *Sethwar* was used as the basis for the entire LRUP process, i.e. in matters of disputes that emerged during the LRUP process, the <sup>10</sup>**RORIBs** and the present day <sup>11</sup>**Pahanis** were referenced with the *Sethwar* to assess ownership.

In addition, as part of Telangana’s broader digitization effort, it has established a portal or an integrated platform called the ‘*Dharani*’ seeking to link all the three land record departments (viz. the Revenue, Registration and the settlement departments) and form a comprehensive digitized database of records. The *Dharani* is still being uploaded with information about the updated textual land records from the LRUP and has an inbuilt system of checks and balances which doesn’t allow for the current day parcelized survey number entries to be recorded if they don’t add up to the initial survey number mentioned in the *Sethwar*. In essence, rather than opting for a resurvey and settlement exercise, the state

---

<sup>9</sup> Sethwar was prepared between the years 1930 and 1940 in Telangana. It being a settlement register, there is no specific year for all the villages but the official note released by the Government of Telangana on the Land Record Updation Programme mentions that the Survey Settlement and Bandobust operation took place from 1932-34

<sup>10</sup> ROR 1B is the record of rights and revenue details of each *Pattadar* with the revenue department. It’s the basic revenue document and is akin to the 7/12 in Maharashtra

<sup>11</sup> Pahanis is a survey number/ parcel number wise document. It shows details of all *Pattadars* who own the land in that particular survey number. It entails details pertaining to the number of land owners and cultivators cultivating on that survey number, type of soil, details of crops, area cultivated etc. Pahanis changes every year as crop details and occupant details change every year. Pahanis is a **village level compilation of all survey numbers** and contains 31 columns specifying details of each survey number



went ahead with updating textual land records based on a document 80 years old, and that which was a result of an evidently lop-sided and biased survey and settlement exercise.

### ***State of Land Records in Telangana on the eve of independence and beyond***

As the Nizam ceded territory to the Union of India in 1948, India also acquired diverse land administrative systems such as the *Zamindari, Muttadari, Mahaldari and Muksadari* systems to name a few. With so many revenue systems, the land record system that Telangana ended up inheriting post-independence “*was varied, with every kind of script ranging from Modi to Urdu to Telugu, scratched over and re written and almost incomprehensible,*” according to the collector of Adilabad district, Ms Divya Devarajan.

Subsequently, efforts were made by the Indian state to do away with the feudal system of production. This began with the Jagirdari abolition act of 1949, which removed the *Jagirdars* or the Nizam appointed revenue collectors. The act, however did not alter the fundamental relations of production by keeping the primary relation between the owner and the tenant cultivator unperturbed (Khusro, 1958).

Wanting to bring about a fundamental change in agrarian relations, the state set up The Agrarian Reforms Committee in 1949 which came up with a set of recommendations that led to the Hyderabad Tenancy and Agricultural Lands Act 1950- a reformative act with progressive provisions aimed at according protection to tenants, bringing in ceiling and flooring provisions, making terms of purchase easy for tenant cultivators, and the concept of “economic holding” which enabled a cultivator to maintain an average family of 5 people including himself, with reasonable comfort. In fact certain provisions of the 1950 act like the 38-B Certificate<sup>12</sup> which accorded protection to tenants are still intact and have continued to instil fear in the minds of landlords of their land being grabbed. The provision is one of the major reasons why leasing in Telangana is largely oral in nature and there barely exists any formal/informal written lease agreement- as landlords fear documenting any sort of lease. As a matter of fact, the fear of the 38-B certificate is so palpable that tenants don’t even declare themselves as tenants even for schemes that would benefit them<sup>13</sup> fearing that they would lose leasing rights and would have to face the wrath of the landlords.

The 1950 Act was followed by the Andhra Pradesh Tenancy Act of 1956 and land ceiling reforms in 1960s and 70s which primarily remained unsuccessful. What is interesting to note is that after the 1932-34 survey, there really hasn’t been any comprehensive survey settlement exercise. The government note

---

<sup>12</sup> The 38-B certificate was a provision made for tenants according protection to them whereby any tenants holding land for a period of six years would be declared “protected” and would be given permanent rights to remain tenants subject to payment of rents and not sub-letting to others. (Khusro, 1958)

<sup>13</sup> Schemes such as the Land Licensed Cultivators Act, 2011 which seek to issue loan eligibility cards (LECs) to tenants and thereby entitle them to gain access to bank credit, crop insurance, input subsidies and disaster relief. Many tenants, in spite of being aware of the benefits of such a scheme are not opting for it because of the threat posed by the landlords.



on LRUP does mention a 1954 exercise which involved recording of *Khata* wise details and preparation of the ‘<sup>14</sup>**Khasra Pahani**’. That apart, there was a survey and settlement exercise undertaken from 1970-76, but that was restricted to only the agency / the scheduled tribe areas (Rao, 2014).

There simply hasn’t been a resurvey and settlement exercise of the scale of the 1932-32 survey across the state. Even a presentation by the office of Chief Commissioner of Land Administration of Telangana categorically states “*After that (recording of Khata wise details and preparation of Khasra Pahani) there were no serious attempts made to update the land records in the state except the routine revenue administration.*” This is another reason why *Sethwar*- a document more than 80 years old- was used as one of the primary documents to conduct the LRUP and assess the legitimacy of the claims of the landowners. Using such an old land register document to conduct an updation exercise comes with its own set of drawbacks. In a span of 80 years, land extent, area, usage and ownership patterns undergo enormous changes. There are numerous land transactions, successions, mutations, partitions, exchanges of lands, unification of different parcels of land, encroachments, updation of <sup>15</sup>*Khata*s, removal of double *Khata*s that take place, in addition to land being put to non-agricultural use, government assigning land to the marginalized communities through various schemes, prohibition of transfer of land, legislations restricting the transfer of land from tribes to non-tribes and so on and so forth.

With major changes in the usage, extent and ownership patterns of land and no cadastral or physical survey undertaken alongside, the land updations in the Revenue records and land registrations are seldom indicative of ground realities and actual physical boundaries of the survey numbers. This is what happened in Telangana and it was this complex land reality that K. Chandrashekhar Rao (KCR) inherited when he assumed power in 2014 after Telangana was formed.

### **2000s: The Digitization Effort**

Furthermore, K. Chandrashekhar Rao acquired leadership in an already existing backdrop of a systematic digitization effort. According to an official in the CCLA office<sup>16</sup> of Telangana, data entries of *Pahani* and ROR1B took place manually in Andhra Pradesh till 2004, after which they began to be scanned. Gradually computerization started for data entry as data began to be entered digitally. This process got accelerated in 2011 with the coming up of **Webland**- a data entry platform<sup>17</sup> and with the introduction of *Dharani* later- an initiative of the current Telangana government.

---

<sup>14</sup> Khasra Pahani is a document of 1954 which recorded details of crops on each agricultural parcel of land, among other things

<sup>15</sup> *Khata* is a land account/ *Pattadar*’s revenue/land account

<sup>16</sup> Interview with Dr Sangeeta Satyanarayana , CMRO, O/o of Chief Commissioner of Land Administration

<sup>17</sup> Webland as a data entry platform had many loopholes. It allowed for random entries being made/ deleted and led to multiple entries being made as it had no system of checks and balances. Tahsildar or anyone impersonating him, could at his whims and fancies, make as many entries as he wanted to.



Before the LRUP, there were special efforts to fasten the pace of digitization as part of the state's Ease of Doing Business Strategy. (Thomas et al. 2020). The Department of Industrial Policy and Promotion had set certain targets to be achieved during 2017-18 to improve the Ease of Doing Business Index Telangana which included indexing of village maps, preparing disputes register, integrating land record databases with the database maintained by the judicial wing of the revenue department, process for automatically generating mutation certificates etc. (Ibid)

Once the LRUP was carried out in 2017-18, it generated a data base of updated land records. It is *this updated data base* that's being used to feed information onto the *Dharani* portal<sup>18</sup>; this makes the authenticity of the LRUP data all the more important for it is being used to create an integrated, comprehensive, digitized land information system.

The LRUP was conducted to meet two objectives broadly- to create a database of "purified" land records to enable the implementation of Rythu Bandhu scheme and to obtain authentic land record information for the ongoing digitization and modernization initiative - having a transparent and accountable land records management system so that farmers are able to freely access land records

It's important to highlight that the Land record updation exercise was a mere textual updation of records did not involve any spatial survey or cadastral mapping. Only for disputed land parcels- the land on which more than one parties have staked claim- were "enjoyment surveys" conducted, premised on assessing who is enjoying the land/cultivating it. In some areas in Telangana, which were being claimed by both the revenue and forest departments, joint inspection consisting of both revenue and forest officials took place. Apart from this, there was also superimposition of the forest map on revenue map in areas such as Laxmipur village in Karimnagar district, to assess which department the land came under. But such initiatives were largely limited.

It is true that Telangana conducted the LRUP on a war footing and it did involve a sincere attempt by the entire revenue machinery, as admitted in informal questions asked to both farmers as well as revenue officials across the hierarchy, but in so far as the effort was restricted largely to a textual updation and nothing beyond, many lacunae have cropped up. Below is the detailed description of the exercise.

## **2.6 The Land Record Updation Programme**

Around mid-2017, the Rythu Bandhu scheme was conceived as an investment support scheme for the farmers. Government documents mention that the agriculture department and the revenue department had different figures on farmer holdings. Since the Rythu Bandhu scheme was completely reliant on number of farmer holdings, it became essential to ascertain a "single truth" in terms of extent and ownership of the agricultural holdings. This paved way for the LRUP. It began with a state level high

---

<sup>18</sup> As specified by an official in the CCLA office



committee being formed in September 2017 for which a cabinet approval was received. The need for undertaking the mammoth exercise also stemmed from a pilot program akin to the LRUP in a few districts. In the pilot, they found huge gaps between land records and ground reality leading to litigation and disputes. Issues such as irregular mutations on land records, unrecorded partitions, errors of name, extent and survey numbers, double *Khata* numbers, issues with inam land, details of government lands, forest lands, wakf and endowment land etc. cropped up during the pilot. This provided the motivation to undertake the textual updation of land records for a reliable land information system.

The Chief Commissioner for Land Administration gave circular instructions about the procedure to be adopted for conducting the Land Record Updation Exercise. The aim was to update the *Patta* passbooks of all land owners across Telangana such that they match the land records/ RORIBs in the revenue department. All collectors across Telangana were given a one day orientation and training in Hyderabad and the collectors further gave a one day training to all revenue officials- *Tahsildar*, Deputy *Tahsildar*, senior assistants, junior assistants, revenue inspectors and Village revenue officials. Publicity was carried out by the district administration with Bike, Mike, auto, speaker and Tom Toms; Local TVs and newspaper ads were used to spread the message about the Land Record Updation Exercise. At the level of the state, district, *Mandal* and village, a *Rythu Samanvaya Samithi* was set up to identify issues of agriculture and farmers and intimate the concerned officers.

The entire process was planned to be carried out in two phases- the first phase/ Part-A records involved land parcels with no disputes or un-disputed errors (such as error in names, surnames, extent of land, *Khata* number, deleting portions of land already sold etc.) and the second phase/ Part-B records involved records with pending court cases. Now, even though the part-A meant to deal with un-disputed errors, disputes did crop up because of the nature of errors (for instance different survey extents of land being claimed) and efforts were made to resolve them by establishing family trees, going through annual Pahanis and Patta Passbooks of different claimants in the first phase, those that couldn't be tackled in the first phase, were then put in the second phase (/ part-B or disputed cases) to be dealt with later. The process took place in the 568 *Mandals* of 30 districts except in Hyderabad. The first phase consisted of what is known as the *Rythu Vari Bhu* survey-began from September 2017 and stretched to March 2018-with the explicit purpose of updating the *Patta* passbooks of the farmers. In all a total of 1523 teams were involved in the exercise involving various levels of government functionaries of the revenue department and verification of 2.4 Crore acres of land was undertaken across 10,823 villages in the state. The government had issued orders that one team could not validate more than 250 acres per day in order to ensure that the process was not carried out in a haste. The order also stated a village needed to be covered in 10 days by each team. <sup>19</sup>There were around 3 teams of 3 people each in a *Mandal*

---

<sup>19</sup> As said by the Mancha Naresh- Revenue Inspector of Gudihathinur *Mandal*, Tosham Village, Adilabad district



comprising of 20-30 villages. Each Team was headed by a *Tahsildar* (MRO), a deputy *Tahsildar* (Deputy MRO) and a Revenue Inspector (RI) (in some cases). The district collectors were given the responsibility to form teams for every nine villages in the district.

The LRUP Government Order also mandated each team to collect a set of documents before going to the villages which included the following:-

- a) *Sethwar/ khasra Pahani/ Sesala Pahani* or the oldest available *Pahani* which serves as base records
- b) Latest *Pahani* as per the online land records database
- c) The 1-B register
- d) The amendment register of preceding 10 years
- e) A Village map for reference (including both wet and dry areas) (all of this was duly carried by the teams when asked)

This was confirmed by asking the *Tahsildar* (*Mandal* Revenue Officer) of *Talamadagu Mandal*, and the Revenue Inspector of *Gudihatnoor Mandal* in Adilabad. Apart from this, every team was expected to have specific details about probable corrections in the village with respect to agricultural and non-agricultural lands and such details were expected to be systematically listed before the visit. Further, the teams were to list the details of the civil and revenue cases for each parcel in their internal registers and were made to reconcile areas in the *Pahani* with the extent in the *Khasra Pahani*. It was decided that the extent of a survey number in the *Khasra Pahani* / *Sethwar* should be the constant against which corrections of extents in the *Pahani* should be made.

The process started with the *Patwaris* (village revenue officers) in each team going about distributing the extracts of ROR1B documents to every village household. Each household was given explicit instructions to assess the 1B document and corroborate it with the details mentioned in their *Patta* Passbooks. They were given 8-10 days to study the two documents after which the first Gram Sabha was held where they were asked to report the discrepancies between the two documents. The Gram Sabha meeting was highly publicized and it was made mandatory for everyone to attend it. (The number of days after which the Gram Sabha was held differed from village to village and *Mandal* to *Mandal*)

Contrary to the number of days each team was supposed to give to a village in the Government Order- 10 days- each team actually allotted one-two days to each village. That is, the Gram Sabhas, at least in Adilabad, were largely held in phases, rather than one village explicitly being given 10 days at a stretch. The first phase involved the revenue team camping for one-two days in each of the villages in the *Mandal* allocated to it, trying to hear and resolve as many discrepancies in the *Patta* passbooks and disputes over survey numbers that turned up. If there were any discrepancies and disputes left to be heard and sorted out (especially true of large villages) after the two days of camping, then the team by



default moved on to the next village they had to cover and the disputes were transferred to be heard in the second phase of Gram Sabhas. Once the team finished holding at least the first round of Gram Sabhas in all the villages of the *Mandal*, it would again start by hearing the remaining disputes and discrepancies right back from the first village- this process of setting up Gram Sabhas for the second time in order to continue hearing disputes and discrepancies marked the second phase. (Here again there are different accounts of what each Gram Sabha entailed. Some like Ms Divya Devarajan, the collector of Adilabad, say the first phase of Gram Sabhas was to hear the claims and objections; the second phase of Gram Sabha was the one in which the issues were dealt with and the third one was when the final records list was announced and objections were sought for the final time.)

A total of at least three phases of Gram Sabhas were needed for each of the 7-10 villages in a *Mandal* by 1 team. In some districts and villages, 4-5 phases of hearing disputes and resolving them were held in each village and one phase took around 10-15 days. It was for this reason that the entire land record updation exercise extended to March 2018 contrary to December 2017, as is being claimed. An example of the time table for the **first** phase is as follows :-

25th September 2017:- Talamadagu village

27th September 2017:- Dorli village

29th September 2017:- Kothur village

And so on....

Till all the villages in the Talamadagu *Mandal*, Adilabad got covered.

Based on what the *Tahsildar* of Talamadagu *Mandal* said, and which was agreed by all revenue officials interviewed, after the entire day during dispute hearing and updating records, the *Tahsildars* and the revenue officials used to undertake correction and continuous updation of RoR1B on the LRUP App. The point number 10 in the LRUP Government Order also specifically says that as per provisions and rules framed under TS Land in *Pattadar* Passbook and Title Deed Act, 1971, The *Tahsildar* is competent to make correction and continuous updation of record of rights and that correction/updation of records based on field inspections shall be carried out by the teams. Empowering *Tahsildars* to continuously update the record of rights was in fact deemed as a major reason for the speed at which the exercise was carried out. Giving *Tahsildars* the access to update ROR on the LRUP website fastened the process. In fact, the desk verification of the records by *Tahsildars* was a critical step in the Land Record Purification Process. The work was divided into 4 parts:

- 1) Part-1: Correction in extents
- 2) Part-2: Correction in details of *Pattadars*
- 3) Part-3: Listing of non-agricultural lands



#### 4) Part-4: Listing of Civil and Revenue Court Details

There are varying accounts of how the process took place based on the narratives of different officials in different districts. For instance, P Dashrat, the *Tahsildar* (*Mandal* Revenue Officer) of Tandur *Mandal* in Tandur district said that the ROR1B particulars were handed over to each household in the village 2-8 days before the Gram Sabha as opposed to 8-10 days and that 1 team gave 10 whole days to a village (rather than Gram Sabhas being held in phases as mentioned above). A Gram Sabha was held in the beginning of the 10 days to hear the grievances and till 10 days, attempts were made to sort out those grievances. Then the team went on to the next village. After all such villages of that particular *Mandal* were covered by the teams, another final Gram Sabha was conducted in all villages. In that Gram Sabha, lists were released and people were intimated about how their disputes/ issues have been resolved. They were asked to inform if they had any problems with the list released. The important issue here is that even though the details- such as the number of days, time spent in a village etc.- varied from district to district and *Mandal* to *Mandal*, the broad process of setting up Gram Sabhas and attempting to resolve disputes that come up during the course of it remained the same.

Each gram Sabha was attended by most of the villagers in which the claims, objections and petitions pertaining to the land were expressed. This was done in public. All family members were called in case of family disputes and disputes were attempted to be resolved then and there. The disputes that couldn't be attended to were shifted to the subsequent phase 2. At the end of this exercise, each team declared that the record of rights of that village was updated and made error free to the maximum possible extent and a final copy of the record of rights with attested signatures of all farmers was published in the village chavdi. All the resolved cases were put in Part-A and the cases of those who could not attend Gram Sabha/ whose disputes couldn't be resolved were put in Part-B to be dealt with later (these disputes were to be recorded in the unsettled issues register prescribed.)

The issues that essentially came up during the drive were pertaining to:-

##### 1) Deaths (fouthis)

Example: - The *Patta* Passbook states the name of the grandson but the ROR1B continued to state the name of the grandfather as the death of the grandfather and subsequent transactions pertaining to the land parcel never got registered with the Revenue department

##### 2) Successions

Example: - The *Patta* Passbook has the name of one of the 5 sons to whom the land got succeeded and includes a land with a smaller parcelized survey number of 2 acres, but the ROR1B continues to record the name of the father with the survey number of land having 10 acres

##### 3) Mutations that did not get registered with the revenue department



Example:- A sold the land to B. B currently holds the *Patta* Passbook but the ROR1B continues to show A's name. Cases such as these crop due to a fundamental gap between the registration department and the revenue department

#### 4) Partitions of land

Example:- Two brothers decided to partition the land into two parts and have two different passbooks. The ROR1B continues to show then partitioned land in the ownership of one brother

- 5) Government assigned land and POT cases (*lavani Patta* and other assigned land):- the concept of eligible encroachers or “*sivai Jamadars*” who basically are poor and therefore even if they encroach land, the transaction is regularised.

During the LRUP, the government took a key decision to ensure secure land rights to the “eligible poor.” This was a step to regularize government land encroachments. The Andhra Pradesh Assigned Lands (Prohibition of Transfers) Act, 1977 prohibits the transfer of certain lands assigned to landless poor persons. The *Lavani Patta* is a *Patta* that one has by virtue of being assigned that land. In the course of LRUP, the government declared that assigned land too could be transferred, if the land is transferred/ sold to a person falling below poverty line with less than 5 acres of land, then the transferee would be considered an “eligible encroacher”/ “*Sivai Jamadar*” and orders were to regularize such transactions. Thus, during LRUP, wherever the original assignee was in physical possession, those entries were recorded and 1B extracts were served and where the original assignee was not in possession, the team recorded details of all such occupants along with their socio-economic status to check for eligible encroachers.

#### 6) *Wakf*/ endowment land

There are three different legislations governing all this. There is an endowment act, legislation dealing with *wakf* (land gifted during the Nizam era) property, and legislation dealing with *bhoodan* property. In terms of disputes, they have their respective legislations. The revenue department doesn't decide on these lands. If an individual stakes claim to either *Wakf*/endowment land, it straight away goes in part B. For Example: - *Wakf* land, *bhoodan* lands, endowment lands- all these land are entered in a register called prohibited property register. So when records are updated, the only touch point is whether to add that land in the prohibited property register or not. The revenue authorities don't issue any *Pattas* pertaining to *wakf*/ endowment. Once the land is found to be a *wakf* / endowment land, that particular land straight away goes into the prohibited property register to be dealt with later.

#### 7) Acquired land

Land acquired by the government for ‘development’- the *Patta* Passbook continue to mention the original inhabitant's name but the land has been taken by the government



- 8) Disputes between forest land and revenue land (which were essentially put in part B and were a major issue in Adilabad and tribal areas)

There are several forest enclosures (unsurveyed) which should be recognized as revenue village under section 3(1)(h) of the Forest Rights Act (FRA) 2006. Revenue department's claim is that forest enclosures which are unsurveyed are supposed to be recognized as revenue villages. Forest department officials claim that protection needs to be accorded to tribes, PVTG and other traditional forest dwelling communities under FRA. Such areas were then marked as disputed and put under part B, after which a joint team consisting of officials from both the forest and the revenue department conducted and are conducting joint exercises.

- 9) ROFR (Recognition of Forest Rights) Act *Pattas*

The FRA 2006 provides for the recognition of both individual and community forest rights. These rights include rights over occupied forest land, right to ownership of minor forest produce (MFP), community forest resource rights, rights over produce of water bodies, grazing rights, rights over habitat for PVTG (Particularly vulnerable tribal groups). Because the initial announcement of the Rythu Bandhu Scheme did not include forest dwellers - neither did the first phase of LRUP include forest lands. Subsequently, after Rabi 2018, the Government of Telangana decided to extend the Rythu Bandhu scheme to agency areas and ROFR patta holders as well. The District Collectors were given the responsibility to identify the ROFR beneficiaries under the Rythu Bandhu scheme. They were to do so in consultation with the Tribal Welfare Department and the Forest Department. Disputes pertaining to ROFR cases arose when the title holder of the patta died or sold the land to a third party (not permitted because forest rights, under the law, are heritable but not transferable) or in case of a loss of title deed.

- 10) LTR issues (Land Transfer Regulation issues- AP Scheduled Areas Land Transfer Regulation Act 1970).

Telangana is governed by AP Land Transfer Regulation Act 1 of 1970. It restricts the transfer of tribal land to non-tribals with due regard to the special status that the Constitution has given to tribal land. It is referred to as the "1/70" Act. The disputes that crop up pertaining to this are essentially that Non Tribals possess the land and have been in its possession since before 1970 but they have no records/ documents to prove their ownership/ possession.

- 11) *Sadabainama* Transactions

Sada Bainama land registrations for rural agricultural lands in Telangana state involve executive property transactions on white papers. Transfer of land title through such transactions, despite not having legal sanctity, are popular in rural Telangana. Lakhs of poor people who have previously purchased small pieces of agricultural land through un-registered/plain paper transactions (Sada



Bainama) do not have *Pattas* in Telangana. The recent *Sadabainama* rule says that any small and marginal farmer (land below 5 acres) who purchased land situated in rural areas on or before 2nd June 2014 and makes an application before 31<sup>st</sup> December 2017, becomes eligible to obtain a 13-B Certificate (i.e. equivalent to having a *Patta*). Once one gets a 13B certificate, it is as good as being registered land owner. Thus, in the LRUP, *Sadbainama* holders claiming land ownership were made land owners after an enjoyment survey and checking from neighbour land owners and seeing whatever documents(if any) available. The rule states “*Subject to the sub-provision of sub section(2) of section 5-A, the Tahsildar shall regularize the claims of those applicants who apply not later than 31<sup>st</sup> December 2017 and have been in possession of Sadabainama documents through enjoyment survey, local enquiry and approval of gram sabha.*”

Apart from this, the state also took efforts to address issues which cropped up during the entire exercise. For instance during a video conference held on <sup>20</sup>12<sup>th</sup> of December 2017 with the district collectors, certain necessary guidelines on clarification were requested to be issued by the collectors and the CCLA office duly released them. Guidelines and suggestions with respect to 25 issues were released. The issues ranged from how to deal with splitting of joint *Pattas*- to the issuance of passbooks and title deeds to individuals not having physical possession /any related documents- to the issue of missing survey numbers of those *Pattadars* who were in possession of land and had documentary evidence- to disputes involving the agency area and claim by non-tribals, and so on.

Furthermore, each district collector was made in charge of collecting village-wise reports to give a clear picture of the outcomes of the LRUP exercise. The village-wise reports contained information ranging from the details of the missing serial numbers for entry into the Pahani to Sethwar-Pahani extent variation, unsettled issues in the village to details regarding Government Assigned Land and list of lands put to non-agriculture use in the village.<sup>21</sup>

## **2.7 But how were the disputes resolved?**

Regardless of the kind of dispute that cropped up in front of the revenue team in the Gram Sabha, the procedure followed to resolve the issues remained the same. Each dispute had to be resolved within the framework of the legislation it operated under. For example, if the dispute was regarding a *Sadabainama* Transaction that had taken place in Dorli- a scheduled area- involving the transfer of land to a non-tribal before 1970 (please refer to foot note no. 23 and 24), the two governing legislations were the LTR Act 1 of 1970 and the latest guidelines for *Sadabainama* regularization.

The revenue team was instructed to carry all records (The oldest available *Pahani*, the yearly *Pahanis* of that survey number, the latest available *Pahani*, the ROR1B register) so that the lineage of that

---

<sup>20</sup> Based on government records accessed with due permission

<sup>21</sup> As said by the district collector of Adilabad



particular survey number of land could be traced by matching the existing *Pahanis* with the documents of all the concerned parties. A chain of ownership and transfer was to be drawn so as to trace the initial owner and to find out how the land subsequently got parcelized and changed hands and names, in case of a dispute. If the need was felt, an “enjoyment” survey was also carried out and local inquiries were made about who has been and currently is cultivating the land. To illustrate better, I am going to give excerpts from an interview with a few revenue officials:-

*“There are subdivisions in the initial survey number. Let’s say there is a man with 10 acres of land with survey number of land being 250. He divides the land amongst his sons and the consequent sub divisions of the survey number are 250/1, 250/2, 250/3, 250/4 and 250/5. During the LRUP process, one of the survey number sub divisions say 250/5 is being owned by the fifth son Y. But the RORIB and the revenue records show that the survey number is in the name of the old dead man. So verification starts by drawing first a family tree. If Y claims 5 acres of land (instead of his 2 acres, the extent he should have inherited by logic if the land is being split equally among sons), questions are asked about what happened to the other 4 brothers and how much survey area of that particular survey number are they staking claim to, are asked. Y is asked to produce a formal link to the title. The other 4 brothers are asked to appear and local enquiries including an enjoyment survey are carried out.”*

-Collector, Adilabad

*“If the Sethwar/ Khasra Pahani/ the oldest available Pahani mentions the records of that particular survey number to be 10 acres and 20 Guntas and the most recent Pahani (the latest one of 2017) mentions it to be 11 acres, the attempt is to find out how 20 guntas got increased in the years in between<sup>22</sup>. One way this could take place is that the 20 guntas got sold by the seller to the purchaser and the sale deed got registered in the registration department, however because of the lack of coordination between the revenue and the registration department, the revenue department continues to record the seller as the owner. This leads to double entry of those 20 guntas. The seller can claim that the sale never took place/ that the sale got cancelled. In such situations, previous Pahanis and RORIBs are checked, sale deeds are checked and a family tree is drawn to understand how the Pattadar is linked to the ancestral property. The checking for that particular document is done year by year. So say, Y owned 20 guntas in 2005 and in 2006, Y is missing from the Village level pahani. We will check the sale deeds around the same time of the year to assess whether a sale has taken place. We will check cultivator column in Pahani and enquire from neighbours if Y still cultivates the land to come to our decision”*

-MRO, Tahsildar, Tandur

---

<sup>22</sup> 40 Guntas make 1 acre, so adding 20 Guntas to 10 acres 20 Guntas would give 11 acres



Thus the underlying premise of resolving disputes was based on probing into past transactions and titles of the property, along with local inquiries and physical surveys in some cases as deemed necessary and by the end of the survey, the Telangana Government claimed that the “purity” level of the records which was earlier around 65%, reached 93% because of the purification drive. The disputes that couldn’t be resolved were put under part B/ phase 2.

## **2.8 The achievements and Government claims**

- (i) After the exercise, the land records which were clear and without any disputes were put in part-A. They were brought within the purview of RoR and were updated. The Aadhaar Numbers and Mobile Numbers were collected and seeded to the *Khata* and cleared for the issue of *Patta Pass Books* cum Title Deeds and revenue records. The government believes that the process of seeding the *Khatas* with the Aadhaar and phone numbers would lead to much faster and more efficient service delivery.
- (ii) The government report on purification and updation of land records as on 31<sup>st</sup> march 2019 states that the Total Extent of Land verified during LRUP was 2.38 crore acres (2,38,18,551 acres to precise). Of this Agricultural Land was 1.58 crore acres and the non-agricultural land were 70.09 lakh acres. It claims in the report that only 10.02 lakh acres of land wasn’t declared clear and was put under part-B (which deals with disputed land). Thus the government initially claimed that it had achieved up to 96% of “Purified” land records. Later, in another government note, it was announced that the government has achieved not 96%, but 93% of clear land records due to the purification drive.
- (iii) The effort of textually updating and digitizing the revenue records has received a lot of appreciation from across states as well. Teams from other states’ planning boards have gone and visited Telangana to understand how it undertook the mammoth exercise in such a short span of time. Through this exercise, it is believed that Telangana is one step closer to achieving a digitized and modernized land information system. The *Dharani* platform, which is currently being worked on and being uploaded with information, is also being considered as a step-on to the digitized land interface system.
- (iv) The LRUP achieved something important. It managed to set into motion the continuous updation of textual records. The bureaucratic inertia ensured that the momentum of updation wasn’t lost and the exercise wasn’t restricted to just 3-5 month exercise per se. Based on my observations, LRUP became a continuous exercise and is still ongoing, which is how it should be.

## **2.9 A can of worms?**

While I was interviewing one of the senior officials in the CCLA office, I asked her why a physical/cadastral survey was not carried out along with the LRUP, the reply was this:-



*“A comprehensive survey wasn’t carried out because it is not for the government to intervene in personal land matters of the farmer. If the farmer is claiming to cultivate 10 acres and has a physical extent of 20 acres, and his neighbours or other farmers are fine with it, then why should the government conduct a physical survey? A physical/cadastral survey, besides is very time consuming to undertake for the whole state. The central government as part of NLRMP conducted a pilot spatial survey in Nizamabad, Telangana where aerial photography was conducted. Conducting a spatial/cadastral survey for the whole state would lead to opening of a can of worms which is totally uncalled for if the farmers and their neighbours are satisfied with the existing situation. It is not for the government to intervene. Say, during the physical survey, the farmer falls short of 1 acre, will the government provide for that extra acre? Is it the government’s job to do that? If both X and Y as farmers are happy with the extent of titles they own, regardless of how much they have in physical possession, no physical survey is required. A physical survey is required when there is some dispute. And for dispute cases- in part B, the government is undertaking a physical survey and sorting them out.”*

The reply inspired the name of the current section and I seek to argue that notwithstanding the absence of a cadastral survey, the LRUP did open up a can of worms anyway. This apprehension towards undertaking a cadastral re-survey and settlement exercise is not specific to just Telangana. Based on Sudha Narayanan’s study of the progress in DILRMP, it was found that government officials even in Maharashtra were hesitant towards undertaking a cadastral exercise. In her study, she writes - *“Interaction with state officials point out that conducting a re-survey and then digitizing the maps drawn post such re-survey is extremely problematic and time consuming.”* The fact that an exercise is time-consuming can’t be an excuse for not conducting it at all. It is the government’s duty to ensure a comprehensive, accurate and *real-time* land information system is in place- if that leads to opening of a can of worms, then so be it. The resources and time allocated by the government should be such that it ensures the smooth functioning of the process. A can of worm at the initial stage is way better than an inaccurate land information system.

Below mentioned are some of the major issues with the LRUP which came to my notice:-

**(i) Lack of time**

No time was given to undertake the LRUP in a comprehensive meticulous manner. The exercise was supposed to be conducted in a span of three months and was supposed to end by December 2017; it nevertheless continued till March 2018 as a three month period for such an exercise wasn’t enough. The targets to be achieved were too idealistic and some revenue functionaries claimed of undergoing a lot of stress and even fainting. *“Aaj Shaam tak hojana chahiye”* was the common refrain and the functionaries complained of not being able to plan properly. The *Tahsildar* of Talamadagu for instance reported some revenue officials (Patwaris or VROs) performing data entry in the night, sleeping in the office only to wake up the next



day to again go to the Gram Sabha. A Revenue official who I interviewed had this to say:- *“No spatial survey took place after the 1930s and no comprehensive record updation took place after 1954. They did not even update the revenue department’s records after carrying out a forest act survey around 1967, now we are suffering because of this.”*

I interviewed a lawyer with expertise on land rights and an adjunct professor with NALSAR university, Mr. Sunil Kumar, who talked about an earlier pilot on LRUP which was carried out in 8 villages in Warangal and which took about 6 months to complete properly, that too when it was a community driven effort. Excerpts:-

*“It took us 6 months to do the entire process in 8 villages right from identifying a wrong entry to matching records to go through all the legal process to correct it- it will take 6 months. But they did one village in 9-10 days. So if you are shrinking the 6 months process to 9-10 days, you can’t obviously do everything. They can’t even identify every problem in 9-10 days. To the extent that they could identify the problem, they have tried to solve it. We did it in Warangal and Nalagonda districts- total 8 villages. We involved the village community to help us. It was a community driven land record updation process. It took us 2 months to identify the problem, 2 months to process it, and another 2 months to resolve it. There were some tribal villages where the entire village got resurveyed. But this LRUP was carried out in a big hurry. You see in the 1930s when the survey settlement and bandobust operations were done, it was done with the objective of who should pay the money. The current survey is done with the objective of who should receive the money. The different in objective of the survey is indicative of the attitude with which it was carried out.”*

As pointed out by the lawyer, the difference in attitude with which the exercise is undertaken determines to a very large extent the efficiency and effectiveness of the exercise. The LRUP exercise was undertaken to pay the landowning farmers cash, which also justifies the speed with which the exercise was undertaken, at times even compromising on the efficiency. Whereas the earlier settlement during the Nizam era were undertaken to earn revenue and that’s why there could be no compromise on the efficiency as the brunt would have to be borne by the government treasury. Had the agenda of the textual updation exercise indeed been to move a step towards modernized land records, the process would have been phased out and more time would have been given. The immediate purpose of laying grounds for the Rythu Bandhu scheme led to the process becoming expedient and hurried-up, undermining the long term objectives of such an exercise.

That the speed with which the process was conducted had a direct impact on the accuracy and the effectiveness of the process can be seen from the data of *the Kisan Mitra Helpline*. Kisan



*Mitra Helpline* was launched by Rythu Swarajya Vedita to help farmers in distress. The complaints pertaining to land and land disputes after LRUP were 475 in number from 2<sup>nd</sup> August 2018 to 8<sup>th</sup> May 2019 in Adilabad even as more complaints are continuing to get recorded. The number of complaints in just one district were 475, and the fact that it is very few who have the access, infrastructure and awareness to lodge such complaints should set alarm bell rings about the possible number of complaints there could be post the LRUP. (More about this discussed ahead)

## (ii) **Lack of Resources**

One of the major issues with the process was the sheer lack of resources in the revenue department. The revenue department was highly understaffed. The *Tahsildars* complained that there were hardly any trained surveyors. For instance, Adilabad has 18 *Mandals*, for which there are only 8-9 surveyors<sup>23</sup>. According to the collector of Adilabad, 18 *Mandals* (One *Mandal* has 20-30 villages) should have at least 18 surveyors. *“How else can one expect the part B cases to be resolved quickly? There is a shortage of equipment as well. Earlier for cadastral/ spatial surveys involving boundaries, the method of chain surveys was used. Now, the government can easily afford modern tools such as DGPS<sup>24</sup> The need is to fix sufficient staff and give them equipment. Every village’s supposed to have a Patwari/VRO. At present, in Talamadagu Mandal, there are 28 revenue villages but only 7 VROs. There are simply not enough patwaris/VROs for the number of revenue villages, how will part B cases be disposed off? Every habitation is supposed to have a VRA<sup>25</sup>. Many don’t have VRAs.”*

To add to this, officials across revenue functionaries from the collector,<sup>26</sup>RDOs to *Tahsildars* and RIs specified that a spatial survey is the need of the hour for comprehensive and authentic land information.

This is part of a larger issue. Most government departments do not have the flexibility to scale up and scale down so quickly due to bureaucratic inertia. Hence most of the work is outsourced. However, states have faced challenges in effectively managing external vendors. Further, capacity issues exist with regard to training revenue staff to be conversant with new technologies. Where the revenue staff is younger, such technological capacity building has been quicker, but their lack of experience with respect to revenue procedures then becomes a problem.

---

<sup>23</sup> As told by the collector of Adilabad

<sup>24</sup> DGPS (Differential GPS) is essentially a system to provide positional corrections to GPS signals

<sup>25</sup> VRAs- Village Revenue Assistants

<sup>26</sup> RDO- Revenue Divisional Officer



Telangana is facing precisely these problems. There is dearth of a large technical staff which is much needed for digitization and setting systems in place.

### (iii) **The Sethwar Question**

The *Sethwar* was considered the most authentic source of document for the Land Record Updation Exercise and for the larger digitization process- especially with the *Dharani* platform designed in such a manner that data entries of current day survey numbers aren't accepted if their sum exceeds the *Sethwar* survey number. The official documents on LRUP state that *"Reconciliation of extents shall be done where the extent in the Pahani, Sethwar and the extent in Khasra Pahani/Sesala Pahani/ the oldest available Pahani are not the same. Invariably the extent of a survey number in khasra Pahani/Sesala Pahani/Oldest Pahani should be constant, against which corrections of extents in Pahani should be made."* The source of legitimacy of all disputed documents was the *Sethwar*.

If *Sethwar* was taken as the basis for land record updation and all disputed land extent's legitimacy was measured against the *Sethwar* extent in case other documents fell short, how did they come to terms with the fact that the *Sethwar* survey extent of land talked about an entirely different size of land altogether? For instance, if the Survey, Settlement and Bandobust operation records of 1932-34 show that there was in fact only one big parcel of land the survey number of which is 75. But in present reality of 2017, the land with survey number 75 has got parcelized into 100 other land extents. So How did they measure say 75e(37) (claimed to be of 5 acres) with 75 (which the *Sethwar* showed as being of 137 acres)? This is exactly why problems are surfacing now while updating records on the *Dharani* Website (Integrated land Record Management programme initiative) because the individual survey numbers of land parcels and their extent of land are currently not adding up the initial survey number and its extent as mentioned in the *Sethwar*. Which is why all the revenue functionaries interviewed had a common complaint- that even if the land extent turns out to be "one gunta" more than the survey extent mentioned in the *Sethwar*, the *Dharani* Website does not accept it which is making recording in *Dharani* a very cumbersome process. (What they in fact meant was that even if the parcelized survey numbers add up collectively to just one *gunta* more than the *Sethwar* extent, the *Dharani* Website doesn't accept it, because some parcels of the same survey number of the *Sethwar* could be currently under part B/ could be disputed pending in civil court)

Even if the premise of the argument is centred around the fact that all records (Manual Pahani, digital Pahani from 2011 onwards, Khasra Pahani, Sesala Pahani, oldest available Pahani, the



most recent pahani) were taken by the revenue officials so that the lineage of that particular survey number of land could be traced (in this case 75e(37)) by matching the existing Pahanis and asking all concerned parties to get their documents (and by removing any double mutation, succession/ transfer), how was this process carried out for an entire village in a mere 10 days? Either, the records with errors were entered very haphazardly with the *Tahsildar* acting on his own discretion (influenced by caste, class and other forms of power) or most of the records with error were shoved into part-B (disputes), meant to be handled later, which is what happened in districts such as Vikarabad and Mancherial<sup>27</sup>. In Venkatpetrao, Mancherial district, as discovered in conversations with members of Rythu Swarajya Vedika who had gone there, 450-500 cases had been put under part B in the hurry of just completing the task.<sup>28</sup> There have been newspaper reports claiming that the VROs of a few villages had acted corruptly and taken bribes to accord land in the name of the *Pattadar*.

#### (iv) Dealing with the question of Tenancy

There were certain important legislative changes that the government brought about during the course of LRUP. One of these changes, shows the extent to which the land record updation programme's scope was determined by the Rythu Bandhu scheme. I encountered this in one of my preliminary interviews with one of the *Tahsildars* in Adilabad district. On asking what were the issues that cropped up at his level, he said, among other things:- *“The state has made it compulsory for the Pattadar column and cultivator column to have the same name, only then is the Pattadar passbook generated. If the Pattadar has given land to someone on lease, you will not give pass book to Pattadar, what logic is this? This compulsion of Pattadar column and cultivation column having the same name, should be removed. The CM doesn't want tenancy in Telangana.”*

The statement though seems like an ordinary concern, was revealing of the state's intent in more than one ways. In 1971, the united Andhra Pradesh had passed the *AP Rights in Land and Pattadar Passbooks Act* which essentially provided for the maintenance, regulation and updation of the record of rights in each village. Through an amendment of this act in 1994, the concept of “title deed and passbook” was introduced which basically made it possible for farmers to apply for loan on the basis of the passbook, and also empowered the collector to recover the loan in case of default, on behalf of the bank on the basis of the title

---

<sup>27</sup> Based on the information provided by members of Rythu Swarajya Vedika with presence in Mancherial District

<sup>28</sup> Based on the information provided by members of Rythu Swarajya Vedika with presence in Mancherial District



deed and patta passbook<sup>29</sup>. The persons who were eligible to apply for and obtain a Patta Passbook as per the 1994 amendment included owners, *Pattadars*, mortgagees, *tenants* and occupants of Inam Land.

Fast forward to 2018. The state amended the act and did away with the need of recording the interests of tenants and occupants who were not owners on the Patta Passbook. i.e. The new Patta Passbooks that came through the process of LRUP were tailored to suit the interests of only the land-owners. The way the state did this was by making it compulsory for the owner column and the cultivator column to have the same names– a condition for the passbook to be generated digitally. The *Tahsildar*'s exasperation stemmed from the fact that many passbooks weren't getting generated because of this. Later, on further conversations with members of Rythu Swarajya Vedika, I realized that instead of an explicit order asking for the cultivator column to be removed from the <sup>30</sup>Pahani, since that would have invited a lot of backlash, Patta passbooks weren't getting generated if the owner and cultivator column had the same name.

This becomes all the more interesting because one of the reasons given by the state for excluding tenants from the purview of Rythu Bandhu Scheme was that there was no way of identifying them. Ironically, the state did away with whatever little scope it had of identifying tenants by removing their interests from land records, altogether.

## 2.10 Broader Problems with the Digitization process

As mentioned in an earlier section, the LRUP took place in an already existing backdrop of a digitization effort. There was a scanning of manual records of *Pahani* and 1B done in 2004. Subsequently those scanned documents were digitalized in a data entry platform called Webland. But it had many loopholes. Most importantly, Webland allowed for random entries being made/ deleted and led to multiple entries being made as it had no system of checks and balances. *Tahsildar* or anyone impersonating him, could at his whims and fancies, make as many entries as he wanted to. This led to the *sethwar* extent expanding. i.e. a land extent of 100 acres in the *sethwar*, would be shown to have 190 acres in the Webland because of the multiple entries which took place in the Webland. For example:- A mutation would have taken place. *A* would have sold the land to *B*. So a new registration in *B*'s name would take

---

<sup>29</sup> As discussed with the Tahsildar of one of the villages in Adilabad and verified by going through the section 6A(5) and section 6C of the act

<sup>30</sup> This was also why in my interview with the assistant to CCLA, she said no such Government Order asking for the removal of cultivator column had been issued



place in Webland but *A*'s name would not be deleted leading to an increase of the extent/ area of the survey number.

Therefore, the *Dharani* was started to integrate the registrations and data entry software onto one platform- such that the moment a registration is done on the system, the *Tahsildar* gets a notification and there is no way that a double entry takes place because of the *Sethwar* extent being capped. Thus while entering the data, even if the existing *Pahani* records are one gunta extra than the *sethwar* record for a particular survey number, the platform wouldn't accept it. But in an attempt to make the *Dharani* fool proof, the platform itself has become extremely tedious and cumbersome to work on. Here are a list of few common complaints I received across the revenue machinery in different villages:-

- 1) A long loading time
- 2) Run time errors
- 3) Photo not coming directly, even after Aadhar card linkage
- 4) Occupant's name gets repeated in all rows despite different *khata* numbers
- 5) Even though the *Tahsildar* has access to continuously record, enter and update the ROR1B and *Pahani* details, certain amendments such as Survey number deletions, *Sethwar* extent corrections or *Sethwar* entries or missing survey numbers go to higher ups viz. the RDO (*only for missing entries*) and the Joint Collector- who, the complaint is, take their own sweet time to get back because of the existing work they are burdened with. Which is why *Dharani* updation is taking more time. The platform was supposed to get ready by December 2018 and it still isn't ready.
- 6) Another drawback of the *Dharani* was the 4 logins needed at the MRO office level itself i.e. The Operator Login, RI Login, Deputy *Tahsildar* login and the *Tahsildar* Login to get the website to records entries and amendments. This makes the process extremely tedious and time consuming. This complaint was in fact unanimous all across the revenue functionary system.
- 7) The *Dharani* has capped the updation of land records to the *Sethwar* extent. i.e The *Tahsildar* can make no updation of land records that go beyond the *Sethwar* extent unless the JC approves. (The reason being that extent of land can't increase. It has to be the same. So there has got to be some error due to which there has been excess survey land and the purpose of capping the *Dharani* is to trace that error). This basically means that at the level of *Tahsildar* login, if the current records (including the current *Pahani*) are even one Gunta more than what was in the *Sethwar* (resettlement records), no change can take place/ the *Dharani* doesn't allow for the updation to take place. This poses many problems for the *Tahsildars* as the data they are using to feed into the *Dharani* comes from LRUP of which certain parcels of land are still in dispute. How



can the capping requirement be made mandatory when the data being fed itself is not complete yet?

These are some of the major complaints that cropped up in my interviews. Though the effort of the LRUP was sincere and the efforts made to update the land records, were genuine- on the face of it, the sheer hurry with which the process was conducted, the lack of resources to conduct the survey and some fundamental procedural issues with the survey throw light on the administrative and bureaucratic complexities inherent in such a process. Attention also needs to be given to the importance of a comprehensive land record updation exercise with a cadastral survey for the ongoing digitization efforts to actually be successful.

## **2.11 Farmer Complaints:- Analysis of the Kisan Mitra helpline data and findings**

Kisan Mitra is a helpline run by Rythu Swarajya Vedia-a farmer's organization based out of Hyderabad and with some presence in Adilabad. After the Land Record Updation Exercise was conducted in Adilabad, Kisan Mitra started getting a number of complaints pertaining to land related issues. This ideally should not have been the case given that the Land Record updation process was declared a successful exercise by the government with claims of up to 93% of record purification. I managed to procure some information on the nature and kind of complaints that were registered with the helpline from 8<sup>th</sup> February 2018 (when the LRUP process was still ongoing) till 8<sup>th</sup> May 2019. Out of the 475 cases registered with the helpline which were pending at the revenue department during this timeframe, 386 cases were explicitly related to farmers not getting the new Patta Passbooks/getting incorrect information on their Patta Passbooks or still having land-record related issues even after the LRUP exercise.

The reasons were wide ranging from errors in land mutation to agency area related issues to incorrect survey extent/ missing survey numbers. I have categorized the complaints into various types. The one category that says "No New PattaPassbook Received" involves all those cases where no particular reason was mentioned for the farmer not receiving her/his Patta passbook or even if there was a reason, it was difficult to categorize it into a particular "type". There were also instances where Patta Passbooks (PPB) were issued, but farmers weren't receiving Rythu Bandhu cheques or where Rythu Bandhu cheques were being received by farmers who still had not received their Patta Passbooks or where the online Pahani and 1B were available but the Patta Passbook had not been received and vice-versa, and so on. In some instances, there were no ROR1Bs with the revenue department notwithstanding the fact that Patta Passbooks had been issued. Of these cases, I have only included the cases where farmers didn't receive the Patta Passbook due to different reasons.

Given Below is a glimpse of the type of land issues that the complaints entailed:-



**Table 2.1:- Number and Percentage of Complaints of each type of Land Issue based on Kisan Mitra Helpline data**

Type of land issue	Number of complaints	Percentage
Agency Area	6	2%
Assigned Land Issue	17	4%
Change in Title of the PPB without the person's awareness	10	3%
Dispute with forest department/ ROFR Patta case	19	5%
Farmer Suicide	2	1%
Government acquired land	6	2%
Incorrect details in Patta Passbook (PPB)	26	7%
Incorrect linking with Aadhar	5	1%
Incorrect survey extent/ Missing survey numbers	76	20%
Land Encroachment	10	3%
Land Mutation related issues	13	3%
Land Succession related issues	45	12%
Demand for Land Survey	3	1%
No New PPB Received	141	37%
PPB received, name not registered online	1	0%
Sadabainama	6	2%
<b>Total</b>	<b>386</b>	<b>100%</b>

Source: Compiled by author using Kisan Mitra Helpline

Also, it is prudent to believe that these figures are an under-estimate of the actual number of complaints that could potentially have cropped up- because not all farmers have access to/ have information about helplines such as Kisan Mitra/ even have knowledge about organizations such as Rythu Swarajya Vedika. Kisan Mitra followed up on these complaints with the Revenue Department and continues to do so, but for farmers with no recourse to such helplines, the only touch point become the Patwaris (Village Revenue Officials)/ Mandal Revenue Officials (MROs) and other higher-ups who may take these up on their own whims and fancies.

2 of the 386 cases were actually complaints pertaining to farmer suicides. The farmers in these cases were very distressed and were facing a crisis at multiple levels- mounting debts (from both institutional and non-institutional sources), crop loss due to an attack by Pink Boll-worms (a common problem in areas where cotton is grown), lack of information about schemes such as Loan Eligibility Card etc. But among many of their problems, a major and the most recent one was them not receiving the Patta



Passbooks after LRUP. I am attaching below the two suicide complaints received by the Kisan Mitra helpline without making any changes. The English is a bit-broken but both the cases are understandable by and large:-

#### Complaint 1:-

*“Elugu Rajanna s/o Rajanna committed suicide 22-05-2018 by hanging himself due to heavy debts., MRO. VRO not visited the field. SI came and did panchanama. , Land details - 4.05 acres of land. But he got patta for 0.27 acres only, he didn't have any patta for remaining land. ,Family Details : Wife(Laxmi- daily labour), Son(Shekar-22Y, Degree discontinue) Private debts : Rs.1,00,000 Crop loan - 1,00,000 Crop loss : In 2017 cotton crop lost due to Pink boll worm in 5 acres. Note : He also feel sad due to he didn't get new PPB and cheque for 3.18 acres of land even though he has been cultivating the land from 40 years nearly.”*

Above is the case of Elugu Rajanna who committed suicide by hanging himself due to mounting debts of about Rs 6,00,000 (both from institutional and non-institutional sources of credit). Rajanna was a scheduled-caste farmer and had lost all his cotton crop the previous year due to attacks by the Pink-Bollworm. During the LRUP, Rajanna got a Patta passbook of only 0.27 acres of land as opposed to 5 acres of land that he should have got given he had been cultivating the land for 40 years. The complaint specifically mentions in an added note Rajanna's grief of not receiving a patta passbook indicating the true survey extent of the land he was cultivating.

#### Complaint 2:-

*“Farmer Name - Amra Vittal s/o Poshetty, Caste \- Bc-D, Munnurkapu Date of suicide \- 04-08-2018 Type of suicide \- By consuming pesticide , Land details : Own Land - 3.35 acres, s.no-98aa/1, katha no-423 at Guda. Before he committed suicide he didn't get New PPB and he didn't receive Rythubandu amount so he didn't have Bhima. Recently new PPB issued on his name. Tenant Land : Took 3 acres, Rate of tenancy - 10,000 per acre, He didn't applied for LEC (Kisanmitra went that village worked on LEC cards) , Crop Loss : 2017 : He cultivated cotton in that land, spent 20-25k per acre, He got 4Q per acres, In that time crop was lost due to “Pinkbollworm” 2018 : Again he cultivated Cotton in same land.At that time he saw pinkbollworms then he worried about that. After his death his family take care of the land, now they sold 13Q for 4 acres of ownland. , Debts : Crop loan - 80,000/- in cooperative bank at ADB Private Loans - He didn't share the debt details with his family. Family details : Wife(venkatamma), one son(Manikanta) and one daughter(Mounika), Manikanta studying BSc first year at private college(Nalanda), Daughter is studying 10th class at shisumandir. , Other issues : They didn't have FIR, deceased wife venkatamma gave application to surpanch about pension, they don't follow that.”*



Amra Vittal committed suicide in August 2018 by consuming pesticide. He owned 3.35 acres of land but had not received Patta Passbook and concomitantly neither the Rythu Bandhu amount. It was only recently that a patta passbook was issued in his name. Vittal had more or less the same issues as Rajanna-mounting debts, crop loss due to pink bollworm attacks and no new land-records.

It's not a surprise that in both these cases, the farmers were from the lower caste communities. Elugu Rajanna was from the Scheduled Caste community and Amra Vittal was from the Munurrukapu community (an OBC caste that engages in agriculture). It would obviously be naïve to attribute their suicides solely to them not receiving Patta passbooks, but the indisputable fact in both these cases is that they did not receive what they were entitled to, among many other things. The ugly truth that these suicides bring to light is also the casteist tendencies such government driven processes can assume. For instance, Purushottam Reddy Adi –a Panchayat member of Belgaon village, Jainath *Mandal* reported that people from the “Dalit Basti” or Dalit area did not receive Patta Passbook and the Rythu Bandhu cheque. He even named some who didn't receive:-

*“Purushottam Reddy Adi (panchayat member) reported that Dalitha Basti people did not receive PPB and cheque. , 1)Salla posani Survey no 52: 3 acres , 2)Butham Radha prasad Survey no : 52 - 1 acre , 54- 2 acre , 3)Butham Radha laxman survey no: 52 -2 acre, 4)Posani Dharmaiah survey no : 52- 3 acres did not receive PPB and cheque not issued. Registration was done on March 20th 2018”*

These cases raise questions that no one seems to have an answer to and also indicate a larger issue that any bureaucratic process in India is bound to be fraught with given that India's society is structured around caste. Nevertheless, these complaints are at least prima facie clear, understandable and can be categorized into specific types. It was very difficult to categorize many other cases into specific types as the complaints seemed to overlap and fit into many categories. Besides, the overlapping nature of the complaints also showed how complex each land issue was and how many legislations they came under.

To give an example, on 23<sup>rd</sup> August 2018, a Scheduled Tribe farmer from Talamadagu- Hanumanth Dhuruva called to report to Kisan mitra that his grandfather had 13 acres of land in survey number 34 which should have been succeeded to his father-Nanaji and his uncle- Nagarao. But his uncle Nagarao got the entire land succeeded on to his name and after that sold 6 acres of those 13 acres to a Rathod Krishna and a Rathod Prahallad from the Lambada community. The only problem with this sale was that it was unregistered or what is called a “Sadabainama” transaction and thus the mutation actually never took place. Now years later, Hanumanth applied for land succession for the remaining land of about 6 acres 20 guntas but the process wasn't taken forward because Nagarao's (the uncle's) son-Dadarao argued that there can't be a claim to a patta which has already been sold by his father to Rathod Krishna and Rathod Prahallad (and who in fact are currently cultivating the land in that survey number and also have their names in the Pahani.) The last line of the complaint further states that the *Mandal*



Revenue Officer (*Tahsildar*) intimated the complainant that the issue of both the parties will be resolved at the same time since the land is in the same survey number.

Regardless of the merits of the case of the complainant and whether or not the case was put under Part-B, the glaring point that comes out from the aforementioned issue is the sheer complexity of the case. How does one categorize this? The issues can be categorized as falling under “Sadabainama”, as well as “Land Encroachment” as well as “Land Mutation”. I ended up finally categorizing it as Land Encroachment because, on the face of it, the issue of the complainant is that of his father’s land being grabbed by his uncle and therefore him not getting the land he is entitled to. This was just one of the many other complex cases that were reported to Kisan Mitra. The multifarious nature of these cases also brings to forth the difficulty that various revenue functionaries must have faced while working on these issues on a daily basis with extreme amount of time pressure and resource-constraint. This raises questions on the impartiality, accuracy and the speed of the process as well as poses doubts on the claims of the government regarding the process.

A point worth noting is the existence of a grievance redressal mechanism post the Land Record Updation process for both Part-A and Part-B cases. Even after the entire LRUP process ended, there was a dispute resolution mechanism in place viz the local level revenue functionaries who were trying to get updated correct land records and continue to make the updations on the basis of complaints registered by individual farmers as well as Kisan Mitra. This existed for both errors in land records categorized under Part-A as well as for Part-B records. In fact, the revenue functionaries themselves acknowledged that there were land extent variations even a year after the Land Record Updation Exercise. Abdul Vahed Mahamad, a Muslim farmer from Boath *Mandal* had complained of receiving a Patta Passbook of only 1 acres instead of the 4.17 acres that he should have got. In the follow-up undertaken by Kisan Mitra, the *Mandal* revenue Official of Boath actually acknowledged that there were land extent variations after the LRUP process got over and himself felt the need for a survey to be undertaken for authenticity. On 9<sup>th</sup> April 2019, the MRO said, “*as per records land extent variations are there, so after completion of land survey only issue will be solved.*” Abdul Vahed Mahamad’s land records remain stuck until such time making him incapable of taking loans since Bank managers insist on both Online *Pahani* and Patta Passbooks (digital/otherwise) to issue loans.

Thus the LRUP exercise was in no way a fool-proof one but no government procedure ever is. However, the magnitude of errors could have been reduced had the government not given such a short time target for the process and had provided more resources (electronic as well as personnel). This, as I have mentioned in earlier sections, can come only when the outlook towards textual updation is in terms of viewing it as a larger part of the land record modernization exercise and not as a stop-gap prerequisite for the Rythu Bandhu implementation. In fact, the overarching rhetoric around LRUP was so titled towards Rythu Bandhu implementation, that many complaints were articulated as follows:- “*She didn’t*



*receive cheque and PPB till now in RBS scheme.*” The Patta Passbooks were considered a *part* of the Rythu bandhu Scheme itself. The agenda with which the LRUP was undertaken reflected to a large extent the approach of conducting it. Had the process been phased out over a period of time, along with a systemic cadastral resurvey, the success rate in actual terms would have been much higher.

An important caveat deals with the reason why Adilabad is relatively prompt with the follow-ups and why the revenue mechanism is working well. This is because of the influence of the collector of the region and also because of presence of local forums like Rythu Swarajya Vedika operating there to strengthen the grievance redressal mechanism put in place by the state. The same can't be vouched for all districts and all villages and neither can any assurance be given about the revenue functionaries' work in these states.

The process also brought to light an important issue with respect to the idea of ‘documentation’ of land records in a tribal society which follows customary land tenure systems. Tribals and other traditional forest dwelling (OTFD) communities have largely followed an oral tradition of land ownership rather than written. The Forest Rights Act 2008 recognizes both individual and community rights over forest land and mandates giving them Pattas, but the process so far has been very lackadaisical and full of errors (Rao, 2014). Besides, the rights of OTFD communities also come into question when the area involved is both a forest area as well as a scheduled area. Because of the land transfer regulation act 1 of 70, the land can't be transferred to anyone who is not an indigenous tribe in an agency area and any non-tribal holding land in an agency area will have to prove that the ownership goes back to before 1970. (This land transfer regulation act follows an underlying assumption that all land in agency area belong to tribes and therefore any ownership showing otherwise- has been obtained by taking the land away from the indigenous tribes, thus placing the burden of proof on the non-tribal farmer). In so far as the customary land tenure systems have largely included oral documentation of rights and title, this becomes difficult to prove leading to many complaints. For example, on 5<sup>th</sup> May 2018, just months after the LRUP process got over, Kisan Mitra received a complaint by a scheduled tribe farmer- Venkata Ramana Nallini from Utnur *Mandal* claiming that he has been cultivating 5 acres of forest land in survey number 53 for the past 32 years in Lakkaram village. The complaint was that it had been a year since he had applied for a patta and the revenue department had undertaken a survey at least 4 to 5 times, but till now he hadn't received any patta. The process obviously involved him undertaking repeated visits to meet the VRO (village Revenue Officer), the MRO (*Mandal* Revenue Officer) and even officials of the forest department, but in vain. The follow-up to this by Kisan Mitra was as follows:-

*“22-Jul,18:-After discussion with the farmer it was ascertained that they belong to ST(Nayak Pod) community. Hence request MRO to re-look into the issue and discuss with the farmer personally and take things forward.*



21-Jul,18:- Update as per MRO: The applicant is a NON-TRIBAL who is cultivating Forest Land . But no ROFR Pattas were issued to Non-Tribal by the District DLC Committee since the Non-Tribal fail to submit more than 75 years cultivation record in Forest Lands, Hence the request of the applicant cannot be considered.

18-Jul,18:-Update as per VRO : <sup>31</sup>ITDA are responsible for the forest land., 06-Jul,18:-SMS sent to MRO and DT. ”

This is an issue which keeps cropping up especially if the area concerned is both an agency area and also has forests. The rights of a tribal in an agency area are taken by utmost seriousness by the government, but a non-tribal cultivating in a forest for more than 32 years isn't eligible because she/he isn't able to produce documents which show proof of cultivation and ownership before 1970. What happens to these non-tribals and OTFD? Are they expected to continue without land patta notwithstanding the fact that they have been cultivating land for the past 32 years? Palla Trinadha Rao's study indicates that because of the sloppy implementation of LTR act 1 of 1970, even many original indigenous tribals have not been recognized and have been denied patta in agency areas. *“The conflict between the STs and the forest department has not been settled and a boundary of 22,120 km remains under dispute and 77,761 acres of land is recorded to be under cultivation by STs in reserve forests before 1980. These are not regularized yet. Forest department continues to evict tribal people from forest land based on the notification issued long ago”* (Rao, 2014). Regardless of whether the complainant was indeed a tribal or not, these type of complaints tell one about what such a process could mean to someone with no documentation whatsoever. Which is why complicated cases involving forest rights and Pattas were largely shifted to Part-B to be dealt with later as reported by officials.

Lastly, the complaint database also indicated that problems related to unsuccessful new land mutations, new land transfers , new land registrations etc. persisted even after LRUP and it is highly likely that these issues would continue to persist so long as a larger revamp of the 3 land record departments and their interlinking doesn't take place properly. Unless effort is made towards actually integrating the Registration and revenue department on a long term basis and undertaking to complete all land mutations and successions within stipulated time period, exercises like textual updation of land records won't achieve much because the broader issue of a lack of sync between departments hasn't been addressed.

## 2.12 Conclusion

It has now widely been argued in both policy and academic circles that reliable land records lead to better and more efficient service delivery and can prove extremely useful for governance, apart from

---

<sup>31</sup> ITDA stands for Integrated Tribal Development Agency



spearheading investment in the economy. This gains even more significance with an effort off late to link welfare distribution to land-records. This started with the Rythu Bandhu Scheme in Telangana and then went on to other income transfer schemes such as PM-Kisan at a national level- which identified beneficiaries on the basis of land-records. Thus the need for formal and clear land records became imperative to avoid inclusion and exclusion errors for the cash-transfer schemes to function efficiently. In this light, Telangana undertook the mammoth Land Record Updation Programme- a textual updation drive of Land records so as to prepare grounds for the implementation of the Rythu Bandhu scheme.

Because it was preparing grounds for the implementation of Rythu Bandhu scheme that determined the execution of LRUP (instead of the larger Digital India Land Records Modernization Programme), the exercise was at the outset, limited in scope and didn't achieve as much as it could have had it been undertaken not as a stop-gap. Examples include, amendments to the Telangana Rights in Land and *Pattadar* Passbooks Act 1971 to exclude the interests of tenants from the purview of Patta Passbook and Pahani- to suit Rythu Bandhu's agenda. Furthermore, using an 80 year old document- Sethwar to reference current day land records, notwithstanding the fact that using such an old document ignores changes in land area, extent and ownership patterns over so many years- led to the process becoming prone to fallacies and inaccuracies. In addition, lack of resources, personnel and time led to the revenue functionaries working under tremendous pressure which also had impact on the land record updation exercise- since many cases were shoved off into part-B in a hap-hazard manner. To summarize, it can be said that the intent of the process shaped its execution.

Having said that, the process was nevertheless the first step towards having a comprehensive, real-time land information database and also served as a role-model for other states to follow. It has set in motion a bureaucratic inertia of constant updation of land records and of better communication and digitization across departments, even as the state machinery seems to be working relentlessly, observed at the village, *Mandal*, Division and District levels. Making the *Dharani* platform user-friendly and doing away with stringent legislations will help ease the entire process of digitization. However, nothing can replace the need for a comprehensive cadastral survey and the potential it has in creating real-time, conclusive, unassailable land titles that can serve as good grounds for service delivery. At the same time, the state needs to be careful to not let the entire land digitization-modernization exercise and the attendant land-titles become a Trojan-horse for industrial capture of land at the cost of original inhabitants.



## CHAPTER 3

### AN ASSESSMENT OF THE RYTHU BANDHU SCHEME

#### (A case of Talamadagu, Adilabad)

The Government document on Rythu Bandhu states the objective of the scheme as “*Relieving the farmers from debt burden and not allowing them to fall in the debt trap again.*” It further states, “*This new scheme is proposed to provide support to Agriculture and Horticulture crops by way of a grant of Rs. 4000/- per acre per farmer each season for purchase of inputs like (1)Seeds, (2)Fertilizers, (3)Pesticides, (4)towards Labour and other Investments in the field operations of farmers’ choice for the crop season.*”

Thus, at the outset, the scheme had two primary objectives- the first intended to provide an *initial* income support to farmers- right in the beginning of the sowing season to aid the purchase of agricultural inputs and facilitate agricultural investment; and the second to increase the liquidity of farmers during the sowing season reducing their dependence on credit and consequently, their indebtedness. In order to evaluate the scheme’s impact a year after its implementation, in light of its stated objectives and promises, its reach, effectiveness and efficiency across land holdings and castes, I undertook a field survey of 91 farming households (including 30 tenants) in the Month of May 2019- exactly a year after its launch. My survey was based out of Talamadagu village in Adilabad District- the northern most district of Telangana. The current chapter discusses my findings, analysis and submissions from the field. The chapter examines the scheme primarily on four grounds:-

- 1) Its Reach: How many got the scheme?
- 2) Its Purpose: How was the cash transfer utilized?
- 3) The Sufficiency Question: How sufficient was the cash transfer for the farmers?
- 4) The Farmers’ Preferences: What do the farmers want?
- 5) The Question of Indebtedness: Does the cash-transfer provide relief from debt to farmers?

#### 3.1 Rythu Bandhu: Some Basic Details

It will be useful to glance over some basic details of the scheme before proceeding ahead. Attached below is a table providing details of the scheme with respect to various parameters:-



**Table 3.1:- Details of Rythu Bandhu on Various Parameters**

Parameter	Rythu Bandhu	Details
Coverage	All Landowners	The scheme includes only land owning farmers. In fact, restricting the cash transfers to only farmers who possess land is one of the major criticisms of the scheme. Landless tenants who undertake cultivation and agricultural labourers are therefore outside its purview. People have argued that excluding a sub-set of farmers who already happen to be marginalized by virtue of not possessing land, makes the scheme regressive by design
Amount transferred	Rs 4,000 per acre twice a year (During Kharif Season and Rabi Season)	This amount was later increased to Rs 5,000 per acre per season for the year 2019-20
Unit	Farmer	This is important. The scheme provides an income transfer <i>per acre per farmer</i> . This is different from other variants of cash transfers that emerged later such as KALIA and PM-KISAN which take households as a unit of disbursement. Taking farmers as a unit of disbursement ignores that there may be more than one farmer or land owners within a household (who may have distributed land across various members in the house to escape land ceiling legislations). Furthermore,



		under Rythu Bandhu, there is no cap on the number of acres owned; Thus income transfers grow as the landholding size does.
Fiscal Costs	Rs 12,000 Crore for the financial year 2018-19	Rythu Bandhu forms one of the largest overheads under Agriculture and allied activities of the Telangana Government
Identification of Beneficiaries	LRUP (Land Record Updation Program)	Telangana undertook a mammoth land record updation exercise to update textual land records. Since cash transfers were based on land ownership, it became imperative to have real-time updated land records so that it could identify the beneficiaries of the scheme
Mode of Payment	Order Cheques- Kharif Season Bank Accounts- Rabi Season	In Kharif season, the transfer was made through order cheques which could be encashed at all branches of the issuing bank. The reason for not transferring the amount directly to the banks was so that Banks don't keep the amount with themselves in case of pending debt. In Rabi season, however, the mode of payment switched to bank accounts due to the imposition of the model code of conduct- the government couldn't be seen handing out cash/ cheques
Payment Related to actual production	No	Even though the government note on Rythu Bandhu stated



		that it would make payments only to those farmers who undertake actual production in Rabi Season, this criteria wasn't followed.
Inclusion Errors	Seemingly High	The scheme does not filter out those who pay income tax, do not live on the land or in the country, or are government employees. In fact, certain Newspapers reported that IAS officers were “pleasantly surprised” to receive money under Rythu Bandhu. Kiran Vissa, the co-convenor of <i>Rythu Swarajya Vedika</i> - a local farmer organization based out of Hyderabad- estimates that of the Rs 12,000 Crore spent on this scheme, about Rs 4,000 Crore has been going to absentee landowners or farmers owning more than 10 acres

Source: *Compiled from the Official Records on Rythu Bandhu, research articles and various news reports*<sup>32</sup>.

During 2018-19, the government had disbursed Rs 5,260.94 Crore to 51.50 lakh farmers during Kharif Season and Rs 5,244.26 Crore to 49.03 lakh farmers during Rabi Season.

### 3.2 Caste Profiling of the Farmers

Of the 91 farmers surveyed, the farmers belonged to various caste communities. I have categorized the farmers into 4 caste communities which are largely administrative in nature viz. SC (Scheduled Caste), ST (Scheduled Tribe), OBC (Other Backward Classes) and OC (Other/ Upper Castes) and one religious community (Muslims). The caste communities included *Yadavs*, *Vishwakarmas*, *Munnurukapus*, *Kummaris*, the Tailor caste (all of these castes fall under the OBC category); *Malas*, *Maangas*, *Madigas* (all of these castes fall under the SC category); *Gonds* and *Naikpods* (these tribes fall under the ST

<sup>32</sup> The Format of the table has been inspired by Shweta Saini's oped piece in the Financial Express



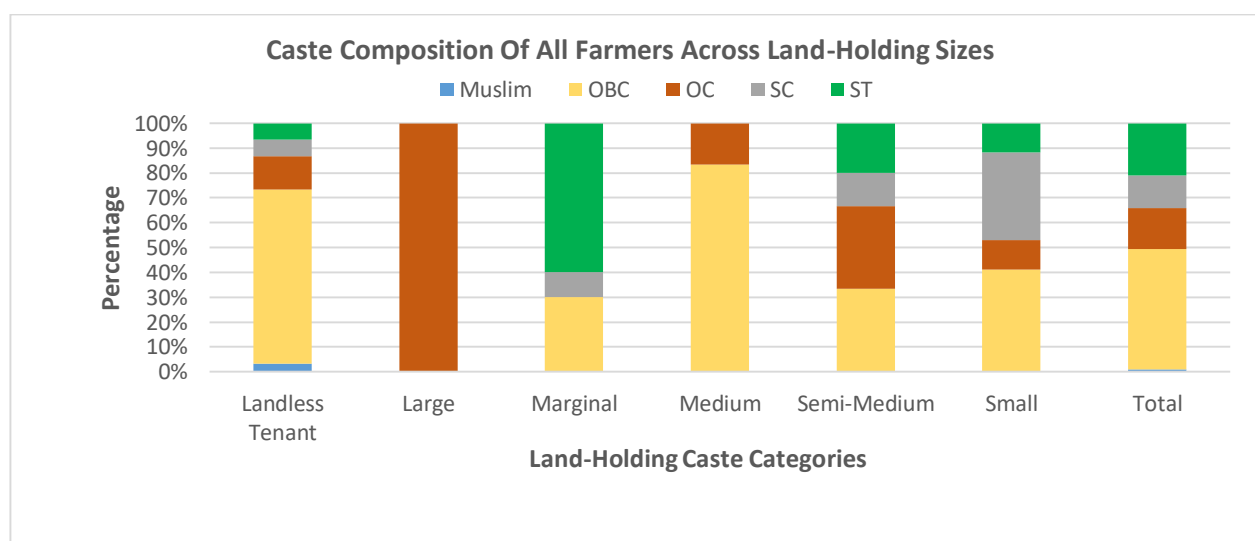
category); and “other castes” like *Velumas* and *Reddys* (largely the land-owning castes). There was also one Muslim landless Tenant. Given below is a tabulation of the size of the holdings and the castes of the farmer and a graph of the same:-

**Table 3.2:- Caste Composition of all Farmers across Land-holding sizes**

Type	Muslim	OBC	OC	SC	ST	Total
Landless Tenant	1	21	4	2	2	30
Large	0	0	3	0	0	3
Marginal	0	6	0	2	12	20
Medium	0	5	1	0	0	6
Semi-Medium	0	5	5	2	3	15
Small	0	7	2	6	2	17
<b>Total</b>	<b>1</b>	<b>44</b>	<b>15</b>	<b>12</b>	<b>19</b>	<b>91</b>

Source: Created by the author; the table profiles the caste of the farmers across various landholding categories

**Figure 3.1:- Caste Composition of all Farmers across Land-holding sizes**



Source: Created by the author; the graph profiles the caste of the farmers across various landholding categories

As can be seen from the table and the graph above, 70% (21 out of 30) of the landless tenants were from the OBC Community. This figure concurs with state level tenancy patterns as well. (According to the Telangana Social Development Report, Other Backward Castes (OBCs) and Scheduled Castes operate the highest share of tenancy area in the state, at 16.3% and 14.6% respectively.) In contrast, all the three large farmers surveyed were from the ‘Other Caste’ category i.e. they belonged to the powerful Reddy caste- which wasn’t a surprise, given that sufficient literature exists to show Reddys as the dominant



peasant caste with large land holdings (Srinivasulu, 2002). Further, 60% of the marginal farmers were from the ST community. This assumes significance in the context that there exists an entire history of land grabbing from Tribals by colonial and post-colonial systems in agency areas through land settlement operations and documentation processes, which in the process disempowered the scheduled tribes and also fragmented them (Rao, 2014). Medium farmers owning between 10 to 25 acres of land were by and large from the OBC community, while one of them was a Reddy; Whereas, Semi-Medium and small farmers (with land holdings between 2.5 to 10 acres) were spread across the OBC, OC, SC and ST communities.

Interestingly, no Scheduled Tribe owned land above 5.85 acres i.e. all the ST farmers were either small/ marginal/ semi-medium or did not possess any land at all. This throws light on the dismal condition of Scheduled Tribes in terms of land-holding sizes. The same can be said even about Scheduled Castes. While 50% of the Scheduled Caste farmers were small (with land holdings between 2.5 and 5 acres of land), the remaining 50% were either marginal or semi-medium farmers or did not have any land at all.

On running a chi-square regression, it was found that, there existed a significant association between caste of the farmer and her/his land-ownership.

### **3.3 Important Socio-Economic Profiles which are a part of appendix**

#### **(i) Gender Profiling and Land Ownership Details of Farmers**

Out of the 61 land-owning farmers interviewed, 50 farmers were males (82%) and 11 farmers were females (18%). Additionally, all the 30 tenants interviewed were males. For more information on the Gender Profiling and Land Ownership Details, Please refer to the Appendix. (1.1)

#### **(ii) Patta Passbooks during LRUP**

Of the 61 land-owners in the survey, up to 16.7% either did not get their passbooks during LRUP/ got their Passbooks late/ got it for a lesser survey extent consequently affecting their access to the cash transfer as well. For more information, refer to the Appendix. (1.2)

#### **(iii) Land Leasing Patterns**

Of the 91 farmers surveyed, 33% had leased in land (30 landless tenants), 8% had leased out land, 54% were self-cultivating and 5% were self-cultivating as well as leasing in land. For more information, refer to the Appendix. (1.3)

#### **(iv) Amount of Land Cultivated, cost of cultivation per acre during Kharif Season, Number of Quintals of Primary Crop Produced**



Most of the farmers surveyed grew cotton and red gram in the form of inter cropping, while some others soybean as well. The large farmers grew cotton, red gram, soybean, turmeric among other crops.

For Kharif Season, the average cost of cultivation per acre was around Rs 21,000 for farmers across land-holding sizes (excluding outliers) and the median and the mode expenditures per acre were Rs 20,000. Large farmers, although, had a way higher cost of cultivation of more than Rs 1,00,000 per acre. This was essentially because of them growing Turmeric along with cotton and Soybean. Turmeric cost a whopping Rs 70,000-Rs 80,000 per acre due to Turmeric seeds being expensive. This shot up their cost of cultivation.

The **number and kind of crops grown** seemed to have had a direct impact on the per acre cost of cultivation. There also existed a strong correlation of 79.42% between the amount of land cultivated during Kharif Season and the cost of cultivation. For more information, refer to the Appendix. (1.4)

### 3.4 RYTHU BANDHU FINDINGS

#### (i) The reach of Rythu Bandhu : How many got the cash transfer?

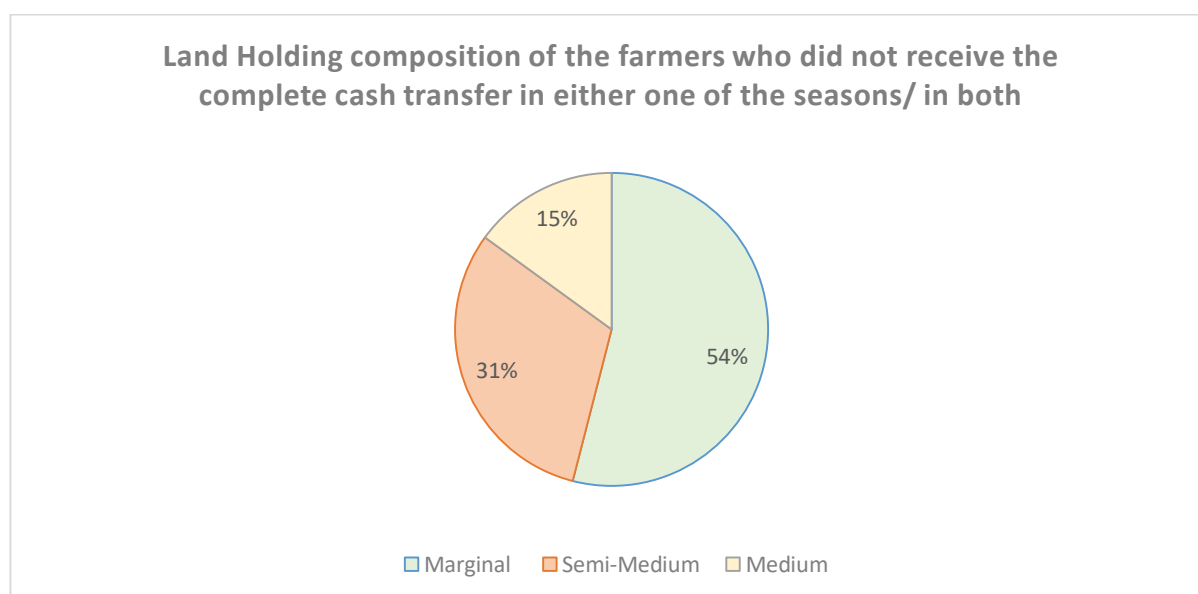
One of the reasons why cash transfers in agriculture are considered better than say a loan waiver/ an MSP by some economists, is because of its reach. Arguments have been made that both loan-waivers and MSP can't be accessed by smaller farmers because of their lack of access to institutionalized credit and agriculture markets, in addition to their production outputs being smaller (Roy S. D., 2018). This argument of lack of reach has extended to other policy instruments like price deficiency payments as well. In a paper written for ICRIER called "Supporting Indian Farmers: Price Support or Direct Income/Investment Support?" comparing cash transfers and Price deficiency payments as policy instruments in agriculture, Ashok Gulati, Tirtha Chatterjee and Siraj Hussain make a case for cash transfers by arguing that one of the reasons why Price Deficiency payments in agriculture won't work, apart from being market distortionary, is because of their limited reach- especially to small farmers; whereas cash transfers, they argue, are more inclusive and have a higher reach. In this context, it made sense to assess the *reach* of Rythu Bandhu- a direct income support scheme (Gulati, Chatterjee, & Hussain, 2018).

I found that out of the 61 landowning farmers interviewed, around 48 got the *complete cash transfer amount they were due* under Rythu Bandhu scheme for both the seasons. **That is, about 78% of the land-owning farmers got the complete cash transfer for both the seasons.** The remaining 22% (13 farmers) did not receive the cash transfer **or** received it for a lesser extent in one or both the seasons. 7 of these 22% farmers were marginal with land-ownership between 0-2.5 acres, 4 were Semi-Medium with land between 5-10 acres and 2 were medium. (Graph attached below) In most of the cases, reasons



for not getting the cash transfer was that farmers did not have the new Patta Passbook or they got it late or got it for a lesser survey extent. Only in one case did the farmer not receive the cash transfer due to technical reasons.

**Figure 3.2:- Land-Holding Composition of the farmers who did not receive the complete Amount under Rythu Bandhu in one/ both the seasons**



Source: Created by the author; the pie-chart shows the land-holding composition of the 22% farmers who didn't receive the cash transfer/ received it for a lesser amount in one/ both the seasons

An Important point to be noted in this context is that new Patta Passbooks during the Land Record Updation Programme were an essential prerequisite for Rythu Bandhu cash transfer as that's how beneficiaries were identified. The fact that out of the 22% of the farmers who did not receive cash transfers, 85% (11 out of 13) didn't receive it *because of issues concerning their Patta Passbook*, throws light on the fact that in so far as the very process of identifying the beneficiaries (LRUP) is exclusionary, Rythu Bandhu- a scheme dependent on LRUP- by default becomes exclusionary in nature and limited in reach. In addition, that more than half of those who didn't receive the cash transfer *were marginal farmers*, also brings forth the possibility of cash transfers suffering from the very same lacunae of MSP and Loan waivers viz. limited reach to marginal and small farmers.

## **I. The reach of the cash transfer Across Seasons**

### **Kharif Season**

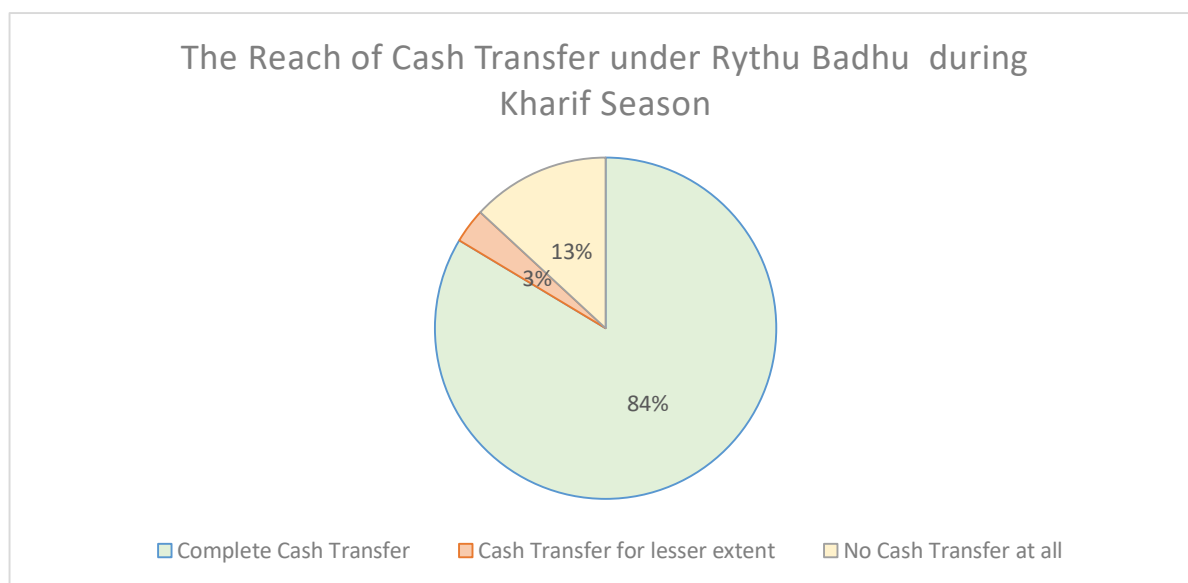
Of the 61 land-owning farmers, around 83.6% (51 out of 61) received the complete cash transfer that they were due under Rythu Bandhu for Kharif Season. Of the remaining 10, 2 farmers- with marginal and semi-medium land holding sizes received the cash transfer for a lesser amount and the remaining 8



(13% of 61) farmers got no cash transfer at all. Thus over all, 13% of the farmers got no cash transfer for Kharif Season.

Another important point to note is that 60% of the farmers who did not get the cash transfer for Kharif Season/ who got it for a lesser amount were marginal farmers and from the Scheduled Tribe community. The fact that majority of the farmers who did not get the cash transfer under Rythu Bandhu/ who got it for a lesser amount were marginal, highlights the exclusionary tendencies of the scheme with respect to farmers with smaller land-holdings. (See Graph Below)

**Figure 3.3:- Reach of Rythu Bandhu Scheme during Kharif Season**



Source: Created by the author; the pie-chart shows the reach of the cash transfer during Kharif Season

### Rabi Season

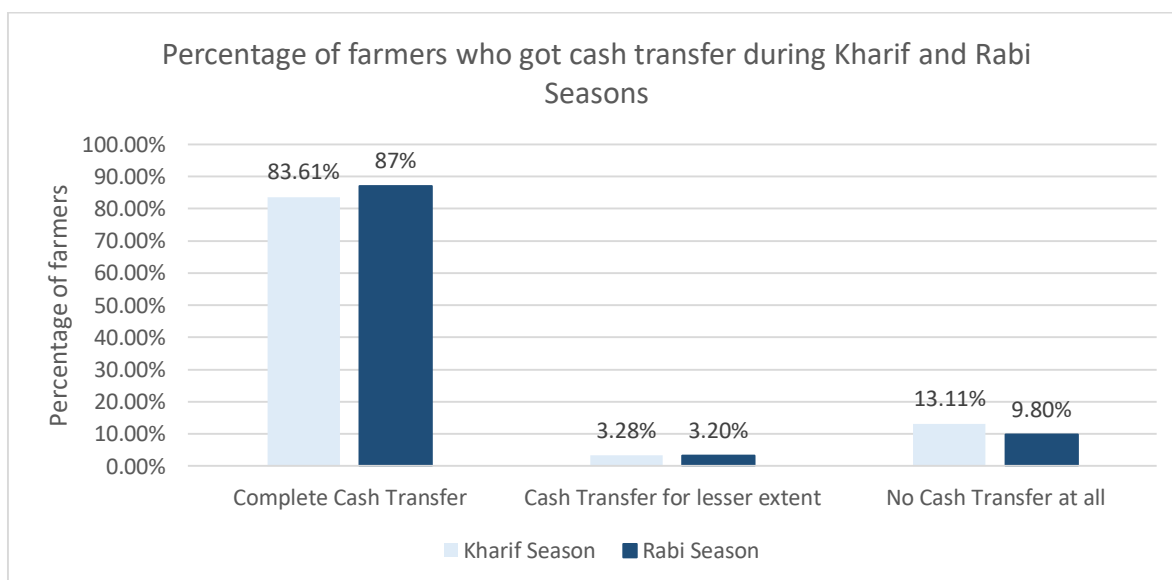
Of the 61 land-owning farmers interviewed, 87% (53 out of 61) received the cash transfer for Rabi Season. This means that more farmers (53 of 61) received the cash transfer for Rabi Season than for Kharif Season (51 out of 61). This came as a surprise because the expectation was that more number of farmers would get the cash transfer in Kharif Season. This expectation came from news reports indicating that around 5 lakh farmers had not got the income transfer for Rabi season in Telangana and around Rs 700 Crore had not been released by December end<sup>33</sup>. Even Rythu Swarajya Vedika confirmed the same. When I asked about the pending payment of Rabi Season to government officials, they called it an aberration due to the imposition of modal code of conduct and because of the election polls taking place one after the other, but did accept a delay in payment explicitly. Therefore, even though it can be

<sup>33</sup> <https://www.deccanchronicle.com/nation/current-affairs/271218/hyderabad-5-lakh-farmers-wait-for-rs-700-crore-state-subsidy.html>



concluded that payments were stuck for Rabi Season at the state level, the same can't be concluded for the village level at Talamadagu because of the lack of sufficient data. My survey indicates although that more farmers got the cash transfer during Rabi Season than during Kharif Season.

**Figure 3.4:- Percentage of farmers who got either complete/ partial/no cash transfer across both the seasons**



*Source: Created by the author; the graph shows the reach of the cash transfer across both the seasons- shows the percentage of farmers who got the complete cash transfer, cash transfers for a lesser extent and no cash transfer at all*

The graph above shows the percentage of farmers who got the complete cash transfer, cash transfers for a lesser extent and no cash transfer at all- during Kharif and Rabi Seasons.

The graph also shows that for Rabi Season, 87% of the farmers received the complete cash transfer, while 2 received it for a lesser survey extent and around 10% of the land-owning farmers didn't receive the amount at all.

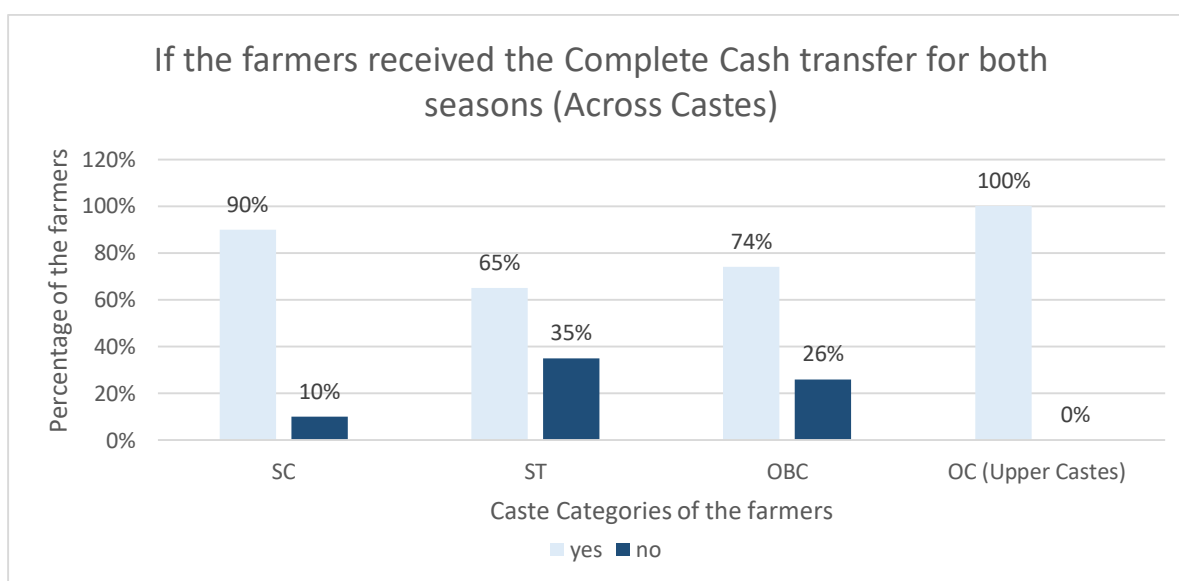
Thus, though my survey indicates a decent reach of the Rythu Bandhu scheme- with up to 78% of those surveyed having received complete cash transfers for both the seasons, the land-holding composition and the caste composition of those excluded reveals the scheme's limited reach to marginal farmers and scheduled tribes (both the sections most vulnerable in the agrarian hierarchy). To add to this, based on informal conversations with farmers, talks with farmer organizations and news reports, the limited implementation and reach of the scheme during Rabi Season came to light, though my survey didn't show the same. Lastly, for a policy instrument that has gained a lot of traction because of its supposed reach, cash transfer's success lies in how inclusive and fool-proof the underlying process of identifying the beneficiaries is- The Land Record Updation Programme- for that is what forms the premise for the disbursement of funds.



## II. The reach of the cash transfer Across Castes

To add to this, *All of the 22% farmers* who did not get the cash transfer or got it for a lesser survey extent belonged to the ST, SC, OBC communities and around 46% of them were Scheduled Tribes. This highlights the exclusionary tendencies such schemes can assume for farmers from lower castes.

**Figure 3.5:- Percentage of farmers who got the complete cash transfer for both the seasons across castes**



Source: Created by the author; the graph shows the reach of the cash transfer across the 4 castes

The graph above shows that 10% of Scheduled Castes, 35% of Scheduled Tribes and 26% of the other backward class cultivators did not get the cash transfer under Rythu Bandhu or got it partially. Whereas, all the upper caste (OC) farmers got the complete cash transfer under Rythu bandhu for both the seasons. It also shows that the scheme's reach was the most limited amongst scheduled Tribes and the highest among Upper castes.

## III. The Tenant Question: No cash transfer to the landless tenant cultivators

One of the major criticisms levelled against Rythu Bandhu, from almost all sections of academia and policy makers, is its exclusion of tenants from its purview. The acknowledgement of tenants being one of the most marginalized cultivators in the agrarian hierarchy is omnipresent. A recent study showed that 75% of the farmers who committed suicide in Telangana were farmers who leased in land from others. (RSV, 2018). That apart, the Telangana Social Development Report states that tenancy in the state is on the rise - leased area now constitutes 14.8% of total operational area, up from 3.1% in 2002-03. Also, given that tenants are the actual cultivators and barely have access to institutionalized credit, MSP, Ware-housing, subsidies and other agricultural infrastructure- makes a strong case for them being



given cash-transfers since they perhaps need the safety-net the most. Some of the reasons given by the government for not including tenants is that Land-owners would pass on the cash transfer amount to their tenants and that they would pass on the benefit of increased income to the tenants in the form of reduced land rent/ lease rate; similar to the argument that markets would adjust the lease rate.

The government also claimed that the presence of tenant farmers or lessee cultivators is very minor in Telangana (notwithstanding the Telangana Social Development report showing otherwise- a jump in tenancy from around 4.7% to 20.1% from 2002-03 to 2012-13), in addition to claiming that the lease arrangements where they exist are short-term and vary year to year and that it is not possible for the government to identify such cultivators. In fact, in my interviews with government officials, they admitted that there has been a steady effort by the ruling dispensation to not even recognize tenancy. Smart ways such as writing the same name – that of the land owner- both in the owner’s column and cultivator’s column in land records- are being adopted.

Thus, a part of my survey was directed specifically towards the tenant question. One of the questions asked to all farmers was whether they feel Cash transfers should be given to tenants. The following information was obtained.

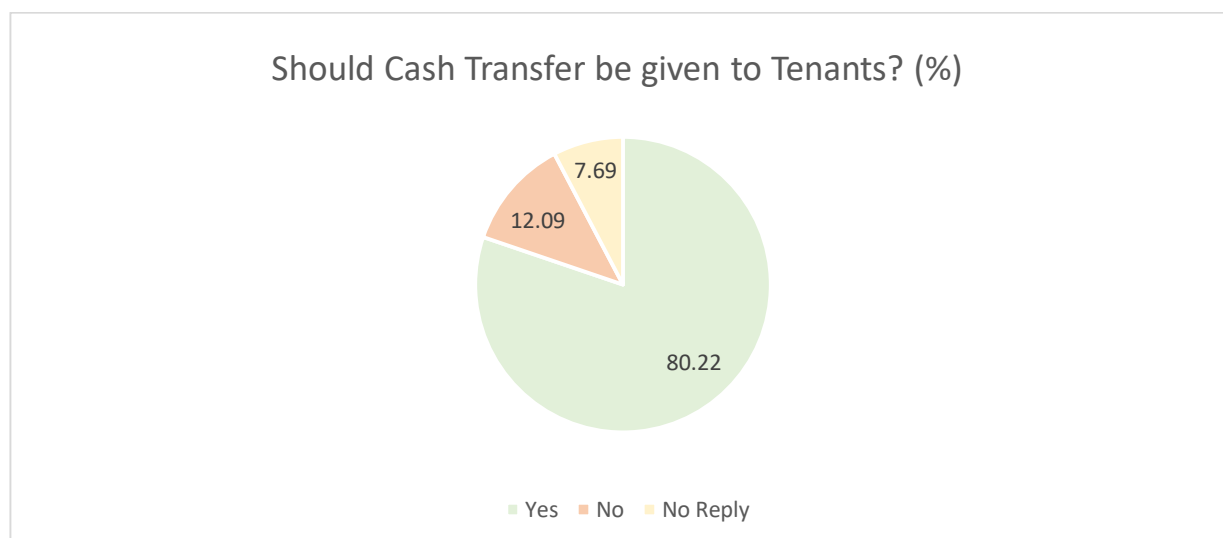
**Table 3.3:- Preferences of 91 farmers about whether Tenants should be given Cash-Transfer under Rythu Bandhu**

Should Cash Transfer be given to tenants?	Frequency	Percentage
Yes	73	80.22%
No	11	12.09%
No Reply	7	7.69%
Total	91	100%

Source: Created by the author; the table shows the preferences of 91 farmers regarding whether Tenants should be given Cash transfer under Rythu Bandhu



**Figure 3.6:- Preferences of 91 farmers about whether Tenants should be given Cash-Transfer under Rythu Bandhu (in %)**



Source: Created by the author; the pie-chart shows the preferences of 91 farmers regarding whether Tenants should be given Cash transfer under Rythu Bandhu

80% of the farmers across land-holding felt that tenants should also receive cash transfers since they are the actual cultivators. Interestingly, 2 out of the 3 large farmers (with more than 25 acres of land) didn't feel this way and felt that only the landowners should be getting the cash transfer. There was this wide sense of fear of tenants grabbing land if recognized/ given any sort of income support- palpable among farmers with large land-holdings. As a government official said in an interview , *“when it comes to tenants being the real cultivators, an underlying and persisting issue has been that of recognizing tenant farmers. In the existing feudal relationship, it becomes extremely tough to identify tenants as there is a lot of mistrust between the landlord and the tenant and the landowner is scared that the tenants will grab his land”*. This fear can be traced back to the Hyderabad Tenancy and Agricultural Lands Act of 1950 which involved recognizing tenants and according them protection under 38 E certificate. Around 75 lakh acres of land, comprising 33% of the area under cultivation, held by 6 lakh tenants was accorded protection during that time. Some of the salient features of the act involved: - Granting protection via the 38(E) certificate to all tenants who held land for a period of six years with permanent rights to remain tenants subject to the payment of rent and not subletting the land they cultivated, guaranteeing ordinary tenants a tenure of at least 10 years, giving Protected Tenants the opportunity to purchase land on easy terms and become “Owner cultivators”. Apart from this, there was a provision that said:- “Government may, in any notified area, from a notified date, transfer the ownership of all land cultivated by protected tenants to protected tenants without them asking for it-



subject to a payment of a reasonable price fixed by the Tribunal.” (This is what scared most of the land owners from divulging information about tenancy) (*Brought via amendment in 1954*)

This act diluted the stranglehold of landlords legislatively and brought in a sense of fear in the mind of landlords that their land would be seized and be given off to tenants. Several successive legislations were brought in, but the fear remained which is why till date, large landlords are very skeptical of any provisions for tenants. In such a situation expecting the landowners to share the cash transfers with the tenants is not only fool-hardy, but also ignorant. As expected, out of the 35 tenants in the survey (including the 5 who owned some land), not a single one said that their owners shared the cash transfer with them. Neither did the 7 land owners who had leased their land out report to have shared the cash transfer with their tenants.

It was also important to assess the claim of the benefits of increased cash with the land-owners being passed to tenants in the form of increased lease rates/ the markets adjusting the lease rates. Out of the 42 farmers (35 tenants and 7 landowners) who were asked if the lease rate had increased, decreased or remained the same, 1 couldn't reply since he was taking lease for the first time and the other one chose not to reply. 39 of the remaining 40 farmers surveyed (97.5%) said that the lease rate had either increased or remained the same after Rythu Bandhu. In fact contrary to the lease rates “adjusting themselves”, **60% of the farmers said that the lease rate had in fact increased post Rythu Bandhu.** Only one small female farmer from the OBC community, who had given out 3 acres of land on lease said that she reduced the lease rate from Rs 32,000 p.a. to Rs 30,000 p.a.

That apart, Absentee Landlordism was a prevalent phenomenon among the tenants I surveyed. Out of the 42 farmers, at least 50% reported to have leased in or leased out due to absentee landlordism. This is striking because when I asked the district agricultural officer about why the “unit” for cash transfer under Rythu Bandhu was not based on households but on acres, making the scheme regressive by design, his reply was that Rythu Bandhu as a scheme, “*is meant to encourage farming so that people don't leave their farms and the phenomenon of absentee landlordism doesn't rise. It is a way of inducing big farmers to continue farming by giving them more money. As you can see, more and more farmers are leaving their farms and undertaking other professions. We want agriculture to grow and that's why it is important to give to big farmer.*” In short, the aim was to discourage absentee landlordism, but if the 50% statistic is enough proof, what's happening is that land-owners are continuing to reside outside, continuing other occupations and getting extra cash for no reason, whatsoever. Apart from proving to be a fiscal wastage, this also seriously undermines the objective of the scheme.



(ii) **Purpose of Rythu Bandhu: How was the cash transfer utilized?**

One of the most fundamental determinants of the effectiveness of the scheme as an “investment support” is contingent on how the cash transfer was spent by the farmers. At the outset, the twin objectives of the scheme- of facilitating agricultural investment and increasing the liquidity of farmers in the sowing season and reducing their dependence on credit, could have been achieved only if the farmers spent the cash received on agricultural activities. This section examines the purpose for which the cash transfers disbursed were utilized.

**I. Kharif Season**

Given below is a table showing a general trend of how the 61 land-owning farmers spent the cash transfers given to them during Rythu Bandhu in Kharif Season. The data has been self-declared by the farmers during questions asked to them. The first category is ‘Only Agriculture’- where in the farmer reported that the entire cash transfer was spent only for agricultural purpose such as for purchasing seeds, fertilizers, pesticides and paying wages to the labour for sowing etc. The second Category is ‘Agriculture and Allied activities’ – in this the farmer claimed to have spent a part of the amount received on Agriculture and a part of the amount received on Allied activities such as in preparing fodder for animals/ organic manure/ land development, fencing etc. The third category is ‘Agriculture and Other Use’- a part of the amount received was spent on agriculture and a part was spent on other activities such as household expenses, medical help, family functions, education etc, as reported. The fourth category is that of ‘Other Use’- in this the farmers reported to have spent the cash transfer on activities not related to agriculture in any way such as education, health, functions, household expenses etc. The fifth category is ‘Did not Receive’ in which the concerned farmer said that she/ he not receive the cash transfer for Kharif Season.

**Table 3.4:- Usage Patterns of the Cash Transfer in Kharif Season**

<b>What was the amount received invested in? -Kharif Season</b>	<b>Frequency</b>	<b>Percentage</b>
Only Agriculture	29	47.54%
Agriculture and Allied	2	3.28%
Agriculture and Other Use	5	8.20%
Other Use	17	27.87%
Did not Receive	8	13.11%
	61	100.00%

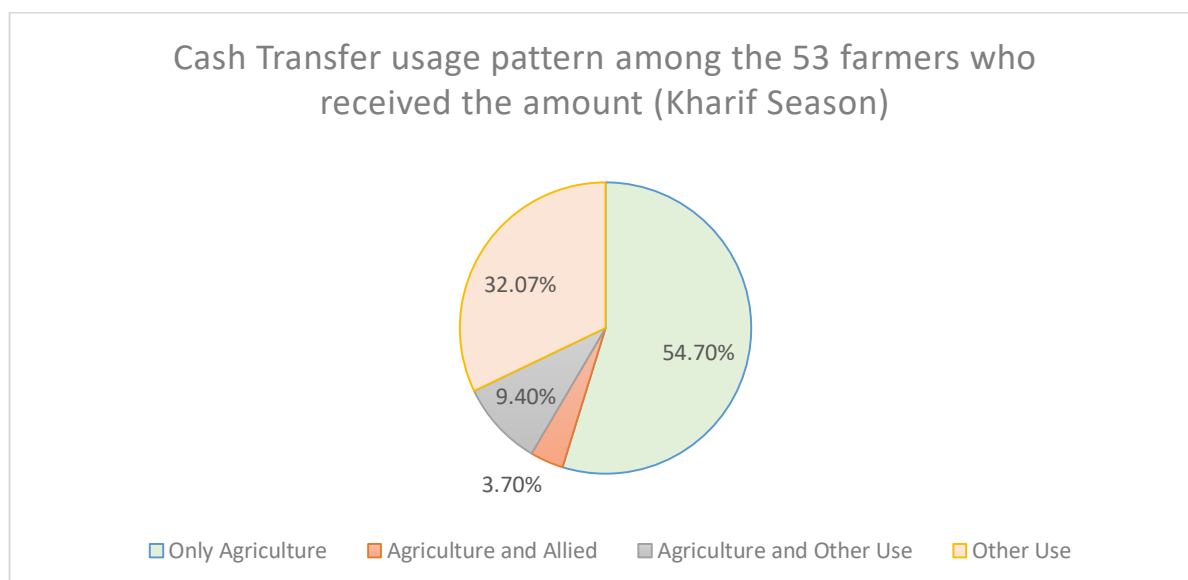
Source: *Created by the author; the table shows the purpose for which the cash transfer disbursed was utilized during Kharif Season*

It can be gauged from the table above that, of the total 61 farmers, around 29 (48%) reported to have spent the amount only on agriculture, 2 (3%) reported to have spent it on agriculture and allied activities



and 5 (8%) reported to have spent it on agriculture and other use. Thus, around 58% of the total number of land-owning farmers reported to have spent at least some portion of the cash transfer on agriculture. Whereas, around 28% of the farmers reported that they did not spend the cash transfer on agriculture at all; around 13% said that they didn't received the cash transfer at all.

**Figure 3.7:- Cash Transfer Usage Pattern among farmers for Kharif Season**



Source: Created by the author; the pie-chart shows the cash-transfer usage pattern for Kharif Season among those farmers who received the cash-transfer

The pie-chart above shows the cash transfer usage pattern among those farmers who received the cash transfer. Since 8 farmers did not receive the cash transfer, the above percentage share has been calculated keeping 53 as the base. Approximately **68% of these farmers who received the cash transfer said that they spent at least some component of the transfer on agriculture**. To capture in brief, of the 53 who received the cash transfer: - 55% (29 out of 53) said that they spent the cash *only on agriculture*, around 13% (7 out of 53) said that they spent *a component* of their cash transfer on agriculture **and 32% said that they didn't spend anything of the cash transfer on agriculture**.

That 32% of the farmers who received the cash transfer said that they didn't spend the cash transfer on agriculture at all, that too in the primary cropping season- shows that there is a difference between the said objective of the cash transfer scheme and the way the cash transfer ultimately ends up getting used by the farmers. A simple illustration will help establish this.

Let's say the stipulated budget for Rythu Bandhu is Rs 1,000 wherein a cash transfer of Rs 100 each is distributed among 10 farmers. Since approximately 60% (55% rounded off to 60%) of the farmers spent the cash only on agriculture, we can say that six of the ten farmers spent the entire Rs 100 on agriculture- therefore, around Rs 600 of the scheme is being spent on its set objective. Again, broadly 10% (9% rounded off to 10%) of the farmers- one odd farmer- spent a component of his cash transfer



on agriculture (let's say half of the Rs 100)- Rs 50, and spent the other Rs 50 on other activities. This gives a total of around Rs 650 being spent on agriculture. The last 3 farmers, (32% rounded down to 30%) didn't spend the cash transfer on agriculture at all i.e. around Rs 300 weren't spent on agriculture at all. So finally based on the percentages and rounding off, what we have is something to this effect- *less than Rs 650 (Rs600+ Rs50) of the stipulated Rs 1000 is actually being spent to undertake Kharif Season agriculture activities*. This figure becomes even more significant given that Kharif Season is the primary cropping season in Adilabad, Telangana. Thus more than Rs 350 is being used in a manner that undermines the scheme's objective in the primary cropping season.

This brings forth the point that the effectiveness of cash transfers lies in how they are used and also establishes that the way the transfer ultimately ends up getting used is not in the control of the government and may not have much to do with the objectives of the scheme either. Mihir Shah called this the "Fallacy of Misplaced Concreteness", through which he argued that the "*problem is not that of transfer of money, the problem is that of translation of that money into concrete assets.*" (Shah, 2008)- In this case utilization into agriculture.

## II. Rabi Season

Many farmers in Telangana do not undertake cultivation during Rabi Season. During my survey, of all the 91 farmers interviewed (including the 30 tenants), **76% did not undertake any cultivation during Rabi Season**. More specifically, of the 61 *landowning farmers* interviewed, 78% did not undertake cultivation during Rabi Season. This shows that notwithstanding what these farmers reported to have done with their cash transfers during Rabi Season, it is very likely that they did not use the amount for agricultural activities, defeating the very purpose of the "*farm investment support scheme*". In fact, 6 of the farmers who received the Rythu Bandhu amount during Rabi Season actually used it for the **Kharif Season Harvest** because the funds came at a time exactly when the cotton crop was ready for picking- so they used the money they received for paying wages to agricultural labourers to pick cotton. But most of the farmers did nothing with the Rabi season cash transfer or spent it on household expenses/ family functions/ some other activity. The prospects of undertaking cultivation during Rabi Season are very less unless the farmers have the resources to do so- such as in the case of large farmers. This also sheds light on the potential waste of the scheme in terms of enhancing agricultural productivity during Rabi Season, in addition to being a fiscal burden to the government.

**Table 3.5:- Usage Patterns of the Cash Transfer in Rabi Season**

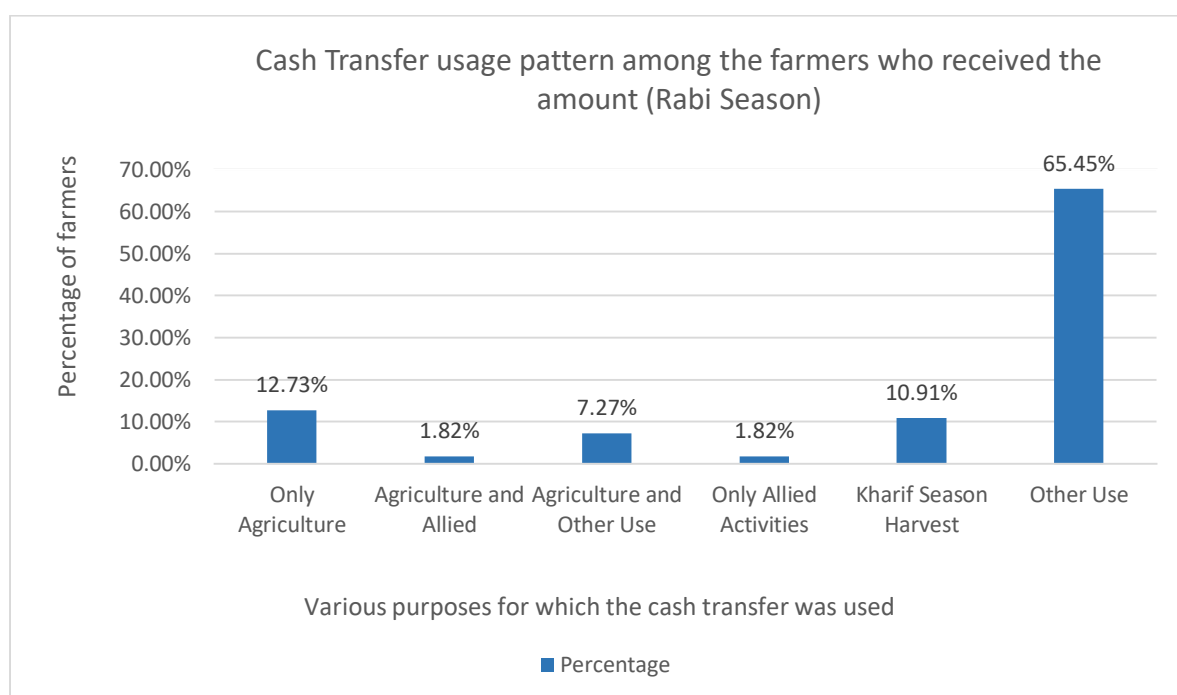
What was the amount received invested in?	Frequency	Percentage
Only Agriculture	7	11.48%
Agriculture and Allied	1	1.64%
Agriculture and Other Use	4	6.56%



Only Allied Activities	1	1.64%
Kharif Season Harvest	6	9.84%
Other Use	36	59.02%
Did not Receive	6	9.84%
	61	100.00%

Source: Created by the author; the table shows the purpose for which the cash transfer disbursed was utilized during Rabi Season

**Figure 3.8:- Cash Transfer Usage Pattern among farmers for Rabi Season**



Source: Created by the author; the graph shows the cash-transfer usage pattern for Rabi Season among those 55 farmers who received the cash-transfer

As can be seen from the table and the pie-chart above, of the 55 farmers who *received* Rythu Bandhu during Rabi season, 65% (36 out of 55 farmers) spent it on “Other Use.” Overall, up to 78% of all farmers who received Rythu Bandhu during Rabi season, did not spend it to undertake agriculture activities pertaining to Rabi Season cultivation. This 78% (43 of the 55) includes farmers who spent it on other use or only on allied activities or on Kharif Season harvest. The colossal wastage of the scheme during Rabi Season can be understood by a simple illustration – again, let’s say the stipulated budget for Rythu Bandhu is Rs 1,000 wherein a cash transfer of Rs 100 each is distributed to 10 farmers. Since 78% of farmers are not utilizing the scheme for the express purpose of Rabi Season Cultivation, this means that roughly 7.8-say 8 farmers are *not* spending their Rs 100 for Rabi season cultivation. This further implies that approximately, a whopping Rs 800 out of the stipulated Rs 1000 is **not** being utilized for the purpose envisioned by the cash transfer. Nevertheless, since a bulk of the amount being



disbursed is invariably being used for consumption and consumption also has multiplier effects, the repercussions aren't bad for the economy *per se*. But in so far as 80% of the budgeted amount is not being spent on purposes that the scheme nowhere envisions, it becomes a classic example of the fallacy of misplaced concreteness (Shah, 2008).

### III. Major Findings of the section

#### ➤ Timing of the disbursal of funds critical to the success of Rythu Bandhu

Prima-Facie, the objective of Rythu Bandhu was to act as an *initial investment support* provider, when farmers are in the most need of funds; and to reduce their reliance on debt during that time- concomitantly also reducing the indebtedness. In the words of the District Agricultural Officer (DAO) who I interviewed, “*Rythu Bandhu has been envisaged as an investment support scheme meant to act as an initial investment support just when the farmer is undertaking sowing. This is the time the farmer is the most vulnerable and in need of cash. Providing them with cash at this time would increase their bargaining power and allow them to not take loans at sky rocket interest rates from the money lenders and will also lead to fall in prices of fertilizers, pesticides, and seeds etc. as their bargaining power increases. At the time of sowing, marginal and small farmers don't have money, so they go to middle men who charge extremely high prices or fertilizers and seeds but by intervening at this stage, we have ensured that marginal farmers have bargaining power.*”

Thus, as admitted by the District Agriculture Officer himself (DAOs were made responsible for ensuring the scheme's implementation in their respective districts), for the scheme to achieve its objective, the timing of disbursal of funds becomes very important because that, to an extent, also determines how the amount is spent. This was also reinstated by farmers surveyed. Based on my field work, the general idea being repeated by most farmers in informal conversations was that they spent the money on whatever the money was needed for during the time of disbursal. For instance, when I asked Karunakar Reddy- The Sarpanch- about how he spent the Rythu Bandhu amount, he said he spent it on “*household expenditure and wages for labour. Whatever expense came that time, we spent the money on that.*” Similarly, Junkunti Venkat Reddy, a small farmer with 4 acres 12 Guntas of land who had leased out his land, spent the Rythu Bandhu amount for both Kharif and Rabi season on his daughter's marriage. He said “*The purpose for which the Rythu Bandhu amount is spent depends on the time of disbursal of the funds. If the funds come on time, people will 100% spend it on agricultural inputs, use it for harvesting, picking. Otherwise, if the disbursal of funds is even a bit late, it's bound to affect the thing for which the fund is spent.*” In my survey, most people who received the cash transfer



for Kharif Season, received it on time. Except for one:- Chitla Ramanna, a Semi Medium farmer with 6 acres 6 Guntas of land received his Kharif Season cash transfer very late- at the end of the season during harvest- and used the amount to pay wages to labourers picking cotton. This again serves as an example of how the utility of the amount was determined by the time of disbursal.

Farming timelines are not set in stone and are contingent on the weather. In such a situation, a delay in disbursal of funds by even a week could mean that the cash which should have reached the farmers during sowing season didn't. As mentioned in the previous section, it came to light through news reports and interaction with farmers that many in the village had not received the Rabi season cash transfer/ had received it late. During such situations, it's highly likely that cash transfer would not have been used as a support for "initial investment" *as it was never delivered during initial cultivation.*

Interestingly, even though the first disbursement of the income Transfers during Kharif Season 2018 was on time, the same perhaps can't be said about the Kharif Season 2019 for the state. During 2018, the funds for the entire state at large, had been disbursed by the end of May, however in May 2019, when I was undertaking my field work in, the funds still had not been disbursed. It so happened that I was interviewing someone from the Rythu Swarajya Vedika on 31<sup>st</sup> of May 2019, and the concerned person asked me, "*Last year, Rythu Bandhu amount was disbursed by May. This year, it's May 31<sup>st</sup> already. Where is the money? Why haven't most farmers got the money already?*" According to News reports, across the state, only Rs 2,200 Crore had been disbursed to 21.22 lakh farmers (as opposed to 57 lakh targeted beneficiaries) by 12<sup>th</sup> June 2019 under the Rythu Bandhu scheme.<sup>34</sup> In fact, the Agriculture Minister of the state, S Niranjan Reddy acknowledged this and directed the officials to expedite the disbursement of financial assistance to farmers as farm activities had already begun for Kharif Season by then. But the *initial* investment period had passed by then. This data is for the state level, village level data for Talamadagu for the year 2019 wasn't collected.

➤ **During Rabi Season, farmers with lesser acres of land tended to divert cash transfer to activities not related to agriculture**

While the large farmers spent at least some component of their cash transfer in agriculture in both the seasons, the same can't be said about other farmers with smaller land-holdings. This can be gauged from the fact that across all land-holdings except for those above 10 acres (medium and large), almost double the percentage of farmers spent the amount on "other use" during Rabi Season as opposed to

---

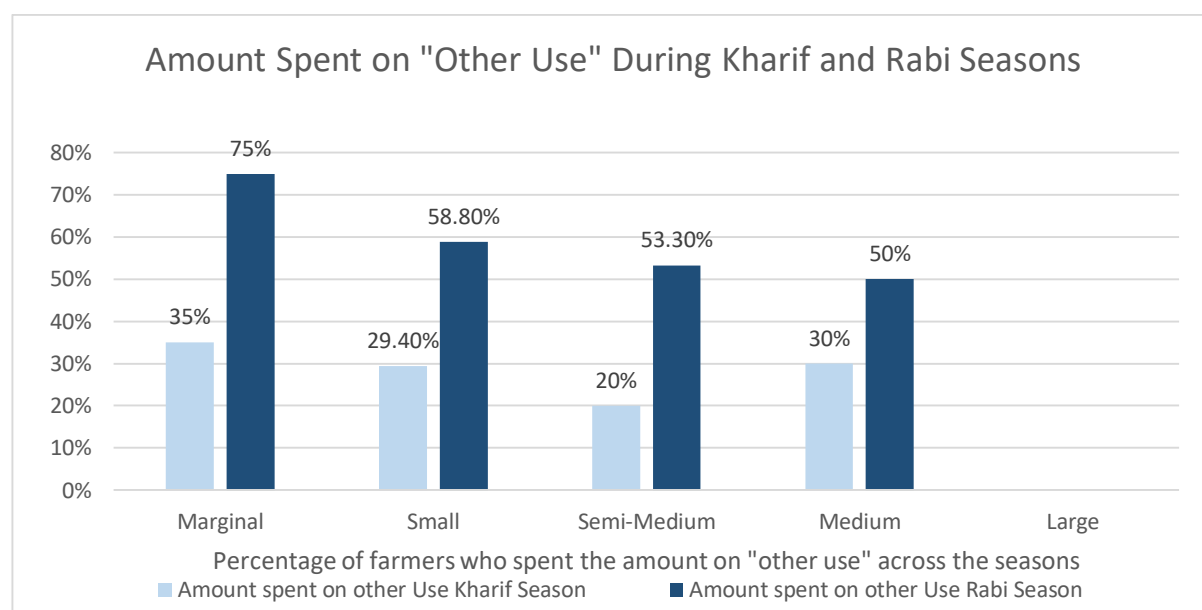
<sup>34</sup> <https://telanganatoday.com/over-rs-2200-cr-disbursed-for-kharif-under-rythu-bandhu-scheme-in-telangana>



Kharif Season. This jump in spending on “Other Use” across both the seasons was a consequence of the larger trend of not undertaking cultivation during Rabi Season, and concomitantly spending the amount on immediate purposes which came up.

Given below is a graph that shows the change in pattern of usage of the cash transfer- specifically the percentage of farmers who spent the cash transfer on “other use”- across the two seasons.

**Figure 3.9:- Amount Spent on “Other Use” Across Seasons**



Source: Created by the author; the graph shows the percentage of farmers who spent the amount on “other use” during both Kharif and Rabi Seasons- across land-holding categories

As can be seen in the graph above, while only 7 out of 20 (35%) marginal farmers spent the cash transfer on “Other Use” during Kharif Season, more than double the number of marginal farmers i.e. 15 out of 20 (75%) spent the cash transfer on “Other Use” during Rabi Season. Similarly, in case of small farmers- while 5 of the 17 small farmers spent the Kharif season cash transfer on “other use”, this doubled to 10 of the 17 during the Rabi Season - an increase from approximately 30% to 60% of small farmers spending on “Other Use” from Kharif to Rabi Season. In case of Semi-Medium farmers, the number of semi-medium farmers spending the amount on “other use” increased from 3 out of 15 (20%) to 8 out of 15 (53.33%) from Kharif Season to Rabi Season. This, even as there was no change in the pattern of use of the transfer in case of large farmers (with more than 25 acres of land) and only a slight change in pattern of use in case of medium farmers (between 10- 25 acres of land)- with 1 more medium farmer (2 to 3) , out of 6, spending on “other use” during Rabi Season.

The graph also shows that as the land-holding size is increasing from Marginal to Large, lesser percentage of farmers during Rabi Season are spending their cash transfer on “Other use”. Thus, it may



be concluded that more the land-holding size, lesser the chance of diverting Rabi Season cash transfer on activities other than agriculture.

This highlights an important finding. **More proportion of farmers with smaller land-holdings spend the cash transfer on “other use” during Rabi Season and more proportion of farmers with larger land-holdings tend to spend the cash transfer on agriculture during Rabi Season.** This is because with such large acres of land, the opportunity cost of not cultivating during Rabi season increases- which leads them to undertake cultivation during Rabi season. The same can't be said for small/marginal farmers. These farmers neither have the capital nor resources to undertake cultivation during Rabi season and concomitantly use the Rythu Bandhu amount received to suit more immediate purposes- whatever they may be- health, education, household expenses/ money needed for Kharif season harvesting. It was observed that many of these marginal and small farmers actually became cultivators and labourers in the farms of the large land owners during Rabi season and used the Rythu Bandhu amount for their personal expenses during this time period.

A basic takeaway from this section is that most of the farmers surveyed in Kharif season spent the Rythu Bandhu amount only in agriculture and most farmers surveyed in Rabi season, spent the Rythu Bandhu amount on “other use”. In addition, Caste of the farmer did not have a significant influence on how the Kharif season/ Rabi season Rythu Bandhu amount is invested.

(iii) **The Sufficiency Question: Is a cash transfer of Rs 4,000 (now Rs 5,000) enough as an investment support?**

**I. What percentage was the cash transfer of the cost of cultivation?**

The ability of the cash transfer to act as an aid in agricultural investment also depends on what percentage the cash transfer forms of the total cost of cultivation. On an average, the cost of cultivation of all the 91 farmers was approximately Rs 24,000 per acre for Kharif Season- the primary cropping season. After removing the outliers however, (The cost of cultivation for the 2 large farmers), the average came to around Rs 21,000 per acre for Kharif Season. Thus, on an average, the farmers' cost of cultivation was around Rs 21,000 per acre. (Note:- The scope of this section is primarily restricted to the Kharif Season and not the Rabi Season because majority of the farmers (up to 76%) did not undertake cultivation during Rabi Season.)

The question that comes next is how much of this cost of cultivation for them was covered by the cash transfer they were provided with (Rs 4,000 per acre per season). Given below is a graph of the percentage of costs of cultivation covered by the cash transfer for the farmers who received them. It excludes those farmers who leased out their lands as they had no cost of cultivation and also excludes



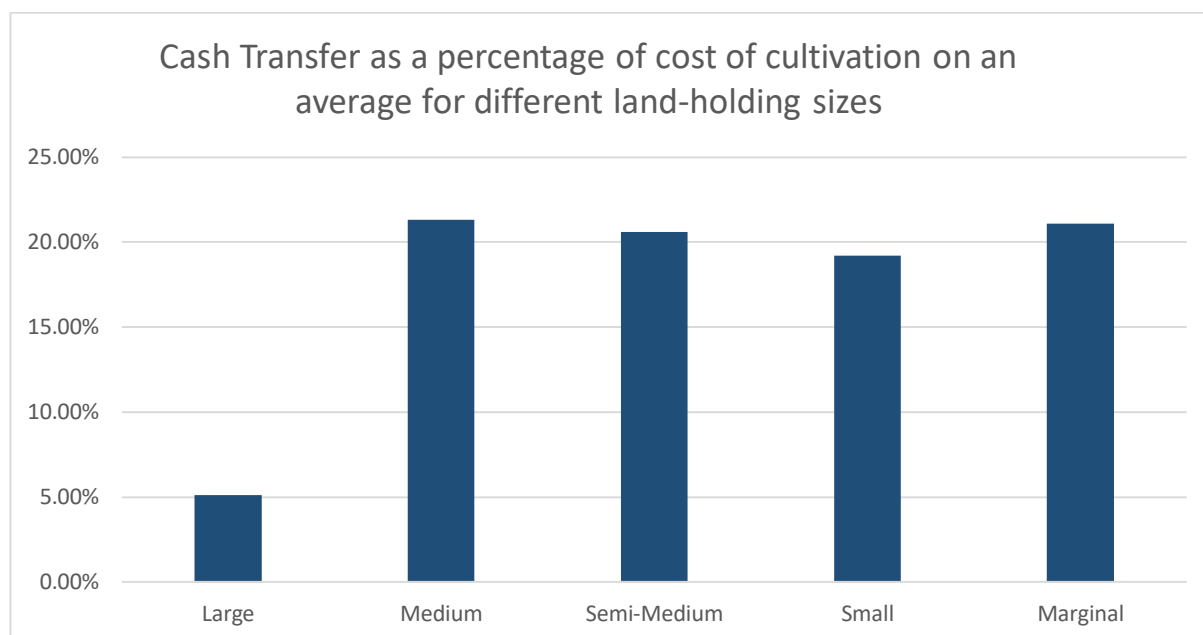
those farmers who didn't receive the investment support. This reduced the sample size from 61 to 47. The cash transfer included in the graph was the cash transfer actually received by the farmer, not which should have been received based on the number of acres of land cultivated. Thus, if the farmer had 4 acres of land (technically amounting to Rs 16000), but received a lesser amount than due, the latter was considered. The data is in ascending order i.e. those farmers for whom the cash transfer formed a very small part of the cost of cultivation have been placed first and those farmers for whom the cash transfer formed a large part of the cost of cultivation have been placed towards the end.

**Figure 3.10:- Percentage the cash transfer covered of the cost of cultivation across land-holding sizes**

Source: Created by the author; the graph shows the percentage the cash transfer was of the entire cost of cultivation for farmers across land-holding sizes



**Figure 3.11:- Percentage the cash transfer covered of the cost of cultivation on an average for different land-holding sizes**



*Source: Created by the author; the graph shows the percentage the cash transfer was of the entire cost of cultivation on an average- for farmers across land-holding sizes*

Both graphs show us that while cash transfers form at least 20% of the cost of cultivation for Marginal, Small, Semi-Medium and Medium farmers, they form only around 5% of the cost of cultivation for large farmers. This is because the cost of cultivation itself is enormous for large given the number and type of crops cultivated (Turmeric, Soybean, Cotton etc.) and the large cultivation costs of turmeric which shoots up the average cost of cultivation for them. However, if the cost of cultivation is measured only in terms of cotton for all farmers and excludes other crops, cash transfer then forms about 20% of the cost of cultivation for all farmers including the large ones.

## **II. What percentage of the household income did the cash transfer constitute for the farmers?**

The NSS report number 576, 2012-13 contains details of the Average monthly income and consumption expenditure (in Rs.) per agricultural household for each size class of land possessed. On extracting the data for Telangana and making a few computational changes, the following table was obtained:-



**Table 3.6:- Share of the Annual Cash Transfer under Rythu Bandhu as a percentage of Annual Income (Household Level) across land-holding sizes**

Type (Household Level)	Total Monthly Income as of 2013 (Rs.)	Annual Income Adjusted for Inflation (Rs.)	Average land-holding size (acres)	Cash Transfer as per average land-holding size (based on 8,000 Rs per acre)	Share of Cash Transfer of Annual Income (%)
Marginal	<sup>35</sup> 4753	63,710	1.25	10000	16%
Small	6290	84,311	3.75	30000	36%
Semi-Medium	7600	1,01,870	7.5	60000	59%
Medium	13040	1,74,788	17.5	140000	80%
Large	8593	1,15,181	25	200000	174%

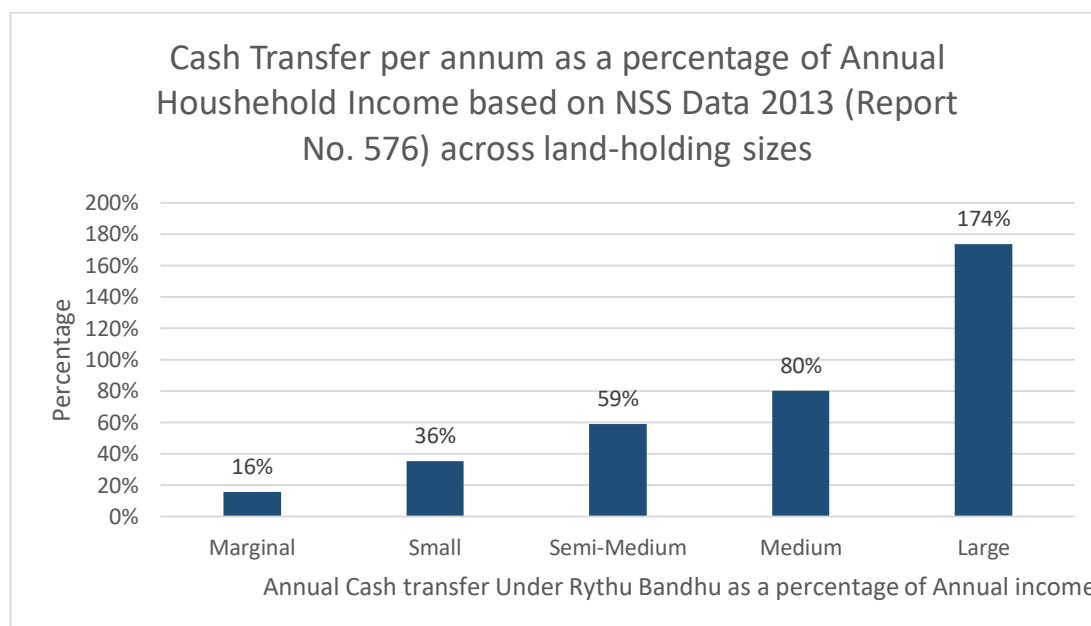
Source: Created by the author; the table shows the percentage share the cash transfer is of the annual income across land-holding sizes (Based on NSS Report No. 576)

The table shows what percentage the cash transfer given under Rythu Bandhu annually (Rs 8,000 per acre) forms of the annual income of the agricultural households across all land-holding sizes. The last column is of interest because it shows the regressive design of the scheme. The Cash Transfer forms the smallest percentage of the annual income for Marginal Households (16%), a bit more for Small Households (36%), around 59% and 80% of the annual incomes for Semi-Medium and Medium Households and a whopping 174% of the annual incomes for the large households. This data shows that large households seem to benefit the most through the Rythu Bandhu Scheme since the Cash Transfer forms the largest percentage of their Annual Income. In fact, there is a direct relationship between the land-holding size and the percentage the cash transfer under Rythu Bandhu is of the Average Annual Income. The graph given below indicates the same:-

<sup>35</sup> Computed Using Weighted Average - Since the NSS Data gave separate income levels for 0-0.025 acres, 0.025 acres-1 acre and 1 acre to 2.5 acres, these have been compiled into 0-2.5 acres category using weighted average



**Figure 3.12:- Share of the Annual Cash Transfer under Rythu Bandhu as a percentage of Annual Income (Household Level) across land-holding sizes**



Source: Created by the author; the table shows the percentage share the cash transfer is of the annual income across land-holding sizes

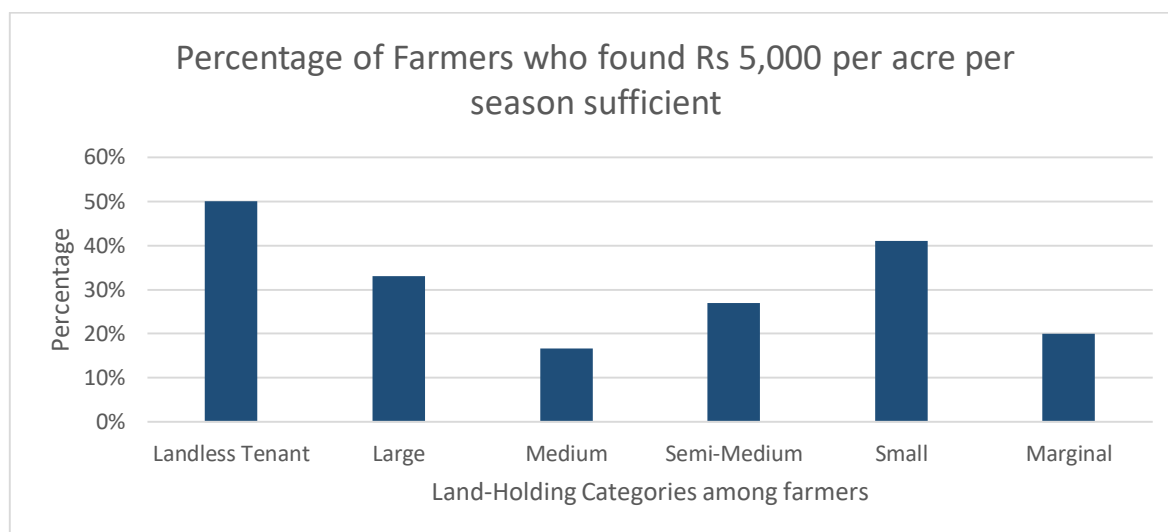
### III. Is Rs. 5000 sufficient? : The Farmers Speak

In the survey, I asked all the 91 farmers, how much cash transfer they wanted per acre per season / how much did they deem sufficient. Of the 91, only 79 farmers answered the amount of Rythu Bandhu they wanted. The remaining 12 either didn't reply/ didn't know what to answer/ didn't want any amount. The modal cash transfer value desired was Rs 5,000 per acre per annum i.e. nearly 41% of the 79 farmers who stated how much cash transfer they wanted per acre per season, were happy with the announced Rs 5,000 -and this held across land sizes. This could be because when I was conducting the survey, the government only recently had announced that the amount of cash transfer had been increased to Rs 5,000. Most farmers were happy with the increase in quantum to Rs 5,000 and either said that they wanted that or Rs 6,000. On the other hand, 43% (34 out of 79) of the farmers were not happy with the Rs 5,000 cash transfer and wanted a higher amount.

The land-holding patterns of the 41% of the farmers who were satisfied with the cash transfer of Rs 5,000 is given below in the graph.



**Figure 3.13:- Percentage of Farmers who found Rs 5,000 per acre per season a sufficient cash-transfer amount across land-holding seasons**



Source: Created by the author; the graph shows the percentage of farmers across land holding categories who found Rs 5,000 per acre per season sufficient.

(Note about the graph: Landless tenants were asked how much cash transfer they would want, if they were given a cash transfer)

A few points worth noting from the graph are as follows.

50% of all tenants said that they wanted Rs 5,000 per season per acre as the cash transfer under Rythu Bandhu and 30% said they wanted a higher amount. They were asked the question- “If you were to be given a cash transfer under Rythu Bandhu, how much would you want/ deem sufficient enough,”? The prompt reply was “Rs 5,000”. As many as 15 of the 23 (65% of the) tenants who answered, said that they think Rs 5,000 would be sufficient for them. This may be construed as them wanting to get included in the scheme at whatever prevailing rate of cash transfer.

Majority of the Marginal farmers (4/5<sup>th</sup>) weren’t satisfied with Rs 5,000 as the cash transfer given to them and wanted higher amounts ranging from Rs 6,000 per acre to Rs 15,000 per acre. Only 1/5<sup>th</sup> of the marginal farmers found the Rs 5,000 sufficient. This could be because the cash transfers formed - 20 odd percent (as discussed in the previous sub-section) of the cost of cultivation of marginal farmers and they wanted more of it so that it could cover a major part of their cost of cultivation. This also explains why 70% of all medium and semi-medium farmers were not satisfied with Rs 5000 as cash transfer and wanted higher amounts ranging from Rs 6,000 per acre to Rs 13,000 per acre.

Of the three large farmers, one didn’t answer this question. The other was satisfied with Rs 5,000 per acre per season. The third large farmer wanted Rs 35,000 per season per acre. He said he wanted at least Rs 70,000 a year per acre as cash transfer to significantly meet his cost of cultivation.



On a whole, broadly around half the farmers were satisfied with the Rs 5,000 per acre per season and the other half wanted more.

(iv) **What do the farmers want?**

**I. Preferences Between cash transfer and direct input subsidy**

There exists a well-established debate around the choice between cash transfers and direct inputs/ subsidy in literature. While proponents of cash transfers argue that they are cost effective- have lower transaction, transportation and distribution costs, (Arvind Subramanian, Pranab Bardhan) are not paternalistic in nature (Devesh Kapur, Partha Mukhopadhyay), open up the possibility of flexibility in labour markets (Martin Ravillion), have greater reach (Ashok Gulati, Tirtha Chatterjee, Siraj Hussain), others like Jayati Ghosh, Sudha Narayanan, Mihir Shah argue that fungibility of cash implies that beneficiaries may use it in ways that undermine the particular goals of the transfer and that cash transfers can only be successful in the presence of a well- functioning market with backward and forward linkages and with proper infrastructure in place. The idea put forth by the latter set of authors essentially is that cash transfers, if implemented along with subsidies and direct inputs, will pose a huge fiscal cost to the government which won't be sustainable in the long run; and that if cash transfers are implemented substituting all existing subsidies (as proposed by the likes of Ashok Gulati), it is tantamount to an abdication by the state of its responsibility of guaranteeing basic minimum provisions to the public , leaving them completely exposed to private forces (Ramakumar, 2012:2019).

In fact, Rathin Roy argues that this marks a shift in the very nature of the Indian state from being a 'Development State' to being a 'Compensatory State' i.e. compensating by paying cash for the inefficient nature of public expenditure so far (Roy R. , 2019).

Sudha Narayanan's essential submission regarding this debate is that implementing agencies, international and state institutions- all recognize that each type of transfer (direct input subsidy (in-kind)/ cash) has its pros and cons and the success of one or the other depends not only on the goals but also on the contexts in which they operate (Gentilini, 2007). In other words, whether cash transfers are appropriate and effective is essentially an empirical question. Thus, it made sense to examine what the individual preferences are among farmers between cash transfers and direct input subsidies in the context of a cash transfer *for* agricultural investment.



**Table 3.7:- Preferences of farmers between Cash transfers and Direct Input Subsidies**

<b>Preference</b>	<b>Frequency</b>	<b>Percentage</b>
Cash	56	66%
Direct Inputs	27	32%
Any	1	1%
Both	1	1%
<b>Total</b>	<b>85</b>	<b>100%</b>

*Source: Created by the author; the table shows the preferences among 85 farmers between cash transfers and direct input subsidies*

Of the 91 cultivators who were asked whether they preferred the Rs 4000 they were being given in the form of cash/ in the form of direct inputs and subsidy, 85 replied and 6 did not reply. Approximately 66% of those who replied said that they want Rythu Bandhu to be given to them in the form of cash as opposed to direct inputs (such as seeds/fertilizers) worth the same amount, while around 32% said that they prefer direct inputs and subsidies worth Rs 4,000 over cash. 1 cultivator- a small farmer from the Yadav community cultivating 3.5 acres of land said that he wanted both. He wanted Rs 4,000 (out of the Rs 14,000 that he was eligible for under Rythu Bandhu) to be given in the form of subsidy/ direct inputs and the remaining Rs 10,000 to be given in the form of cash. On the other hand, Thotha Lakshanna, a medium farmer cultivating 13 acres of land, said he was fine with any. Over all, it is visible that more number of cultivators preferred cash transfers to direct inputs and subsidies- in fact the preferences for cash transfer were more than double the number of preferences for input subsidy. Although, this was expected as cash transfer schemes are popular because of their simplicity since everyone loves a bit of cash. (Himanshu,2019) (Ramakumar, 2012)

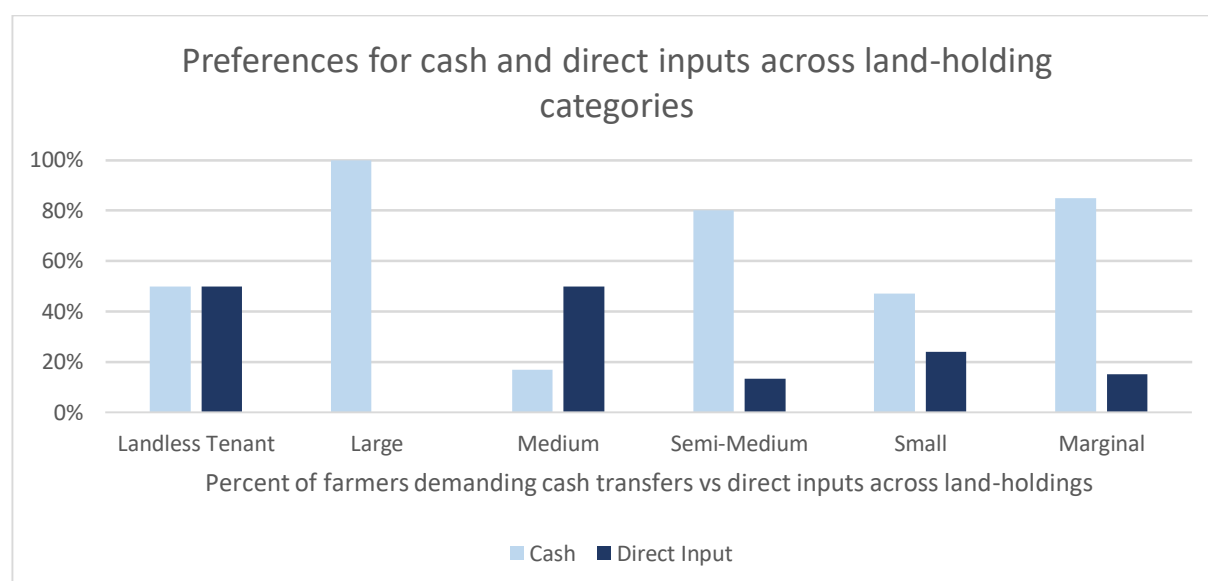
#### ➤ **Land-holding patterns and the choice between Cash Transfer and Direct Input/subsidies**

There existed a significant associated between the size of the land owned and the choice between cash transfer/ direct input with a p-value of less than 0.001. Out of the 30 landless tenants who were asked this question, 50% replied that they wanted Rs 4,000 in the form of cash transfer and the other 50% replied that they wanted direct inputs/subsidy (seeds, fertilizers worth Rs 4,000). This 50% split is interesting given that Landless tenants were given no cash transfers under Rythu Bandhu. The question asked was *if* they were to get Rs 4,000 under Rythu Bandhu, would they prefer it in the form of cash or in the form of direct inputs-subsidy equivalent to that amount. Given that tenants were already outside the purview of the scheme, I expected the majority to ask for Rythu Bandhu in the form of cash. But that didn't happen. This 50% split could perhaps be attributed to the fact that largely the tenants didn't



have access to either subsidies or cash transfers (by virtue of not having land titles) and thus were split over the choice because of not having experienced any of the two entitlements.

**Figure 3.14:- Preferences of farmers between cash and direct inputs across land-holding sizes**



*Source: Created by the author; the graph shows the preferences for cash and direct inputs across land-holding categories*

The graph above shows that, all the three large farmers surveyed said that they preferred cash to direct inputs. The reason given was that cash could be used to serve any immediate agricultural purpose and was more fungible whereas subsidy/ direct inputs were more limited in their scope of use.

85% of the Marginal Farmers and 80% of the semi-medium farmers preferred cash to direct inputs for the same reason mentioned above. Interestingly, a rationale that came up for preferring cash to direct subsidy was that the quality of seeds, fertilizers and pesticides given by the government in case of direct inputs/ subsidy generally was very poor. “Cash transfers ensure that we spend the cash in buying seeds, fertilizers and pesticides that are of at least good quality.” One cultivator (landless tenant) rationalized his choice by stating that Talamadagu village because of its location as the headquarters of the Talamadagu *Mandal*, had good market access with Adilabad just 20 km away and the Bank of Maharashtra within the village itself- thus making it easy to spend and obtain cash because of linkage with the markets.

50% of the Small farmers preferred cash to direct inputs and a quarter of them preferred direct inputs to cash. It’s only the farmers cultivating between 10-25 acres of land (medium farmers) that came as a surprise as it was only in this category of farmers that more preferred direct inputs to cash than vice-versa. The reason stated for preferring direct inputs to cash was because the propensity of using direct inputs for agriculture was greater than that of cash.



As a whole, cash definitely seemed to be the more popular choice among farmers.

➤ **Preferences between cash transfers and direct inputs of those farmers who claimed that cash transfers actually helped them during cultivation**

All landowning farmers were asked whether the cash transfer they received under Rythu Bandhu directly/ specifically helped them with cultivation. 87.5% of the farmers who answered this question replied that the cash transfer under Rythu Bandhu did help them with cultivation while 13.5% replied that it didn't.

What's interesting to note is that approximately 70% of these farmers who said that cash transfers helped them with cultivation preferred cash transfers over direct inputs; whereas 22% of them preferred direct inputs over cash transfers. It is that there were at least 22% farmers who claimed to have benefitted from cash transfer for cultivation but still chose direct inputs over cash transfers when given the choice. The reason given by them was that direct inputs can immediately be utilized for agricultural activities, but it takes time to do the same with cash.

Having said this, the fact that 70% of those who claimed that cash transfers benefitted them in cultivation, also chose cash transfer over direct inputs shows that for 70% of these farmers cash proved to be more useful than direct inputs for agriculture. **(For detailed information on this section, please refer to the Appendix 1.5)**

## **II. Preferences Between Price Support and Income Support**

The debate around the plight of agriculture before cash transfers, had largely been reduced to only two issues: one, the lack of remunerative prices for which the demand was for higher Minimum Support Prices (MSPs) and, the second, the debt trap that farmers had found themselves in. As a result, state and central governments and political parties promised debt waivers and higher MSPs and a while back, the central government finally made the MSP 50% above the cost of cultivation, based on A2+FL costing. (Unlike the C2 costing based on MS Swaminathan Recommendations)

People have argued that an increase in the MSP and the shift in terms of trade will hasten the process of accumulation by the rich sections in rural India (Roy, 2018) since marginal and small farmers seldom have access to MSP. It has also been argued that an increase in food grain prices will shift the terms of trade in favour of agriculture and invariably lead to inflation. This is because incomes of the poor are un-indexed with prices (so the higher prices won't translate into higher incomes for them) and the demand for food is inelastic with respect to price. This will invariably cause them to bear the brunt of inflation- resulting in a decline of their food and non-food expenditure. (Mitra, 1997) Notwithstanding some of these issues regarding MSP and the larger arguments made against price-support, it has over a period of time, become one of the principle focus of agriculture both in academic and policy circles and



even farmers marching to the national capital in the end of 2018 demanded remunerative prices for their produce and freedom from debt.

However, as MSP and loan –waivers proved woefully inadequate to alleviate agrarian distress, a new stream of academics and policy makers started relentlessly advocating cash transfers as the new panacea for all problems with agriculture (Gentilini, 2007), (Ghosh, 1992) Thus, as price-support and income-support advocates started arguing for which is better, the fundamental unequal agrarian structure- amongst the most important reasons for the distress, remains unattended.

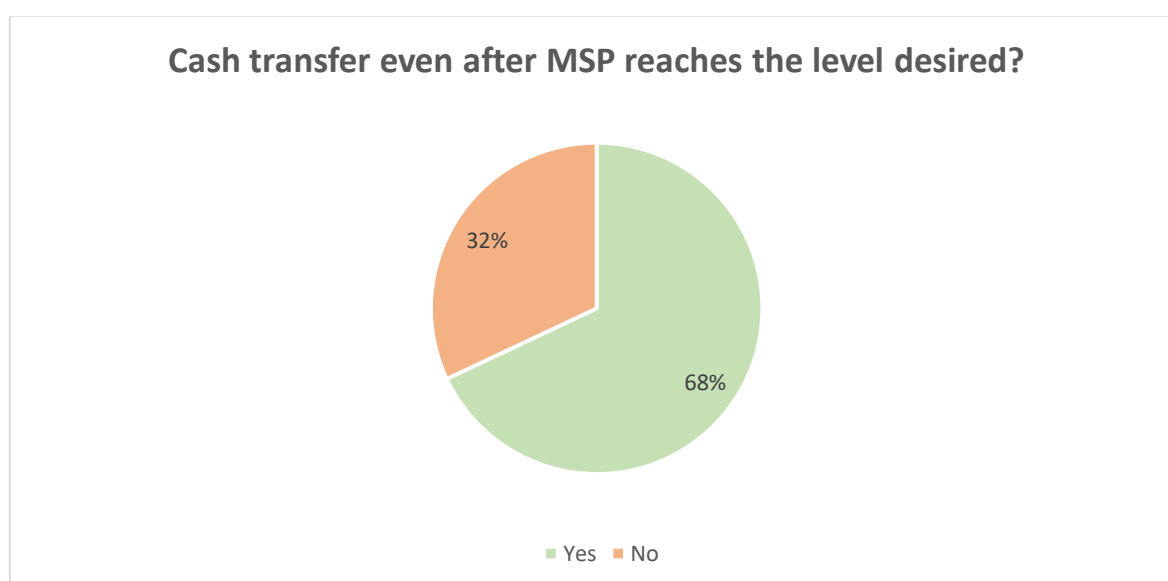
Nevertheless, it was important for me to gather from farmers as to what they deem the best choice for themselves. The question asked was if they would still want a cash transfer under Rythu Bandhu if MSP increased to the level they desired. This was asked to all the 91 farmers. The following information was obtained:-

**Table 3.8:- Preferences of farmers between Cash Transfers (Income Support) and desired MSP (Price Support)**

Cash transfer even after MSP reaches the level desired?	Frequency	Percent
Yes	61	68%
No	29	32%
<b>Total</b>	<b>90</b>	

Source: Created by the author; the table shows the preferences of farmers for income support c even after an assurance of a higher price support

**Figure 3.15:- Preferences of farmers between Cash Transfers and desired MSP**



Source: Created by the author; the pie-chart shows the preferences of farmers for income support even after an assurance of a higher price support



Out of 91 cultivators surveyed, one did not reply. Of the remaining 90 who replied, **around 68%** of the farmers surveyed said that they would want a cash transfer **even if** the MSP increases to the level they desire i.e. they weren't willing to let go of income support even at the cost of price support.

On the hand, around 32% (29 cultivators) said that they would **not** want a cash transfer if the MSP increases to the level they desire **and** if they manage to sell their crops at MSP. That is, at least 32% of the cultivators said that they prefer price support- over income support. The average MSP the farmers wanted for cotton- the primary crop being cultivated during Kharif season- was around Rs 7,000 per quintal. Even the mode and the median MSP desired for cotton was Rs 7000 per quintal as opposed to the then prevailing rate of Rs 5,450 per quintal. The MSP desired for other crops were as follows:-

- Red Gram- Rs 6,000-Rs 10,000 per quintal
- Soybean- Rs 4,000 –Rs 5,000 per quintal
- Turmeric-Rs 70,000- Rs 80,000
- Bengal Gram- Rs 5,000 per quintal

➤ **Land Holding wise break-up of the choice between price-support and income-support**

The reasons for wanting a cash transfer notwithstanding the increase in MSP to the level they desire were wide-ranging. While some cultivators reasoned that they almost *never managed to sell the crops at MSP, so an increased MSP wasn't going to be of any use to them* since they wouldn't be practically reaping the benefits of it, other cultivators (especially the marginal and small ones who were cultivating on government assigned land) reasoned that the land assigned by the government was of such poor quality that good quantity of output hardly ever came out of it, rendering the MSP useless. Both these problem seemed to be more prevalent in case of marginal and small cultivators which is why it is among these category of cultivators that the demand for Rythu Bandhu (/income support) persisted even with the hypothetical increase in the MSP rate to the level they desire. This can even be seen from the table and the graph below:-

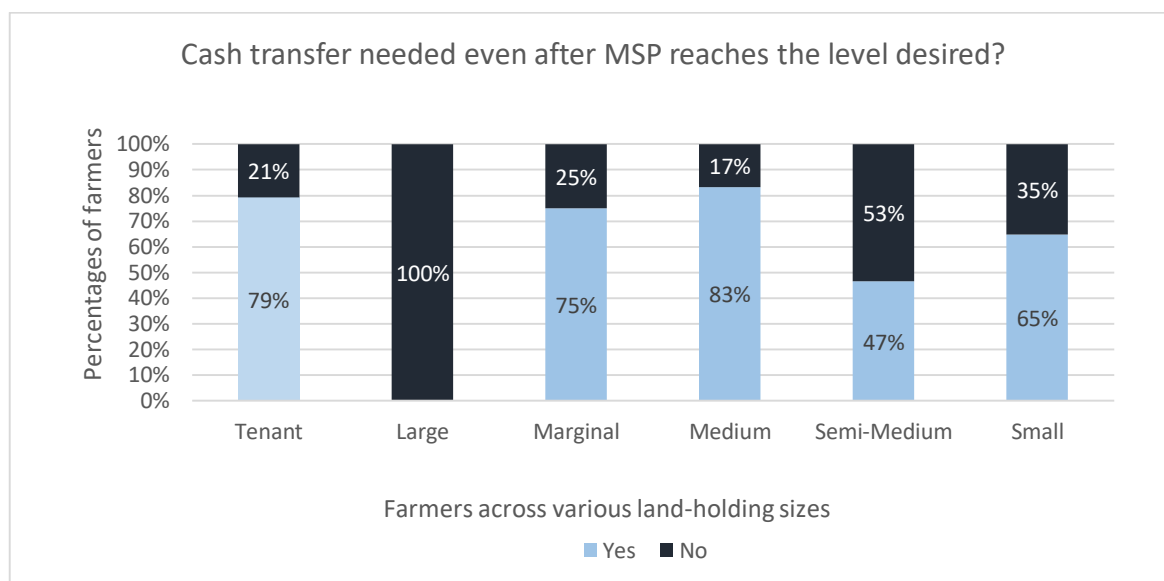
**Table 3.9:- Preferences of farmers between Cash transfers (Income Support) and desired MSP (Price Support) across land-holding sizes**

<b>Cash transfer even after MSP reaches the level desired?</b>	<b>Tenant</b>	<b>Large</b>	<b>Marginal</b>	<b>Medium</b>	<b>Semi-Medium</b>	<b>Small</b>	<b>Total</b>
Yes	23	0	15	5	7	11	61
No	6	3	5	1	8	6	29
<b>Total</b>	29	3	20	6	15	17	90

Source: Created by the author; the table shows the preferences of farmers for income support even after an assurance of a higher price support / across land-holding sizes



**Figure 3.16:- Preferences of farmers between Cash Transfers and desired MSP across land-holding sizes**



Source: Created by the author; the graph shows the preferences of farmers for income support even after an assurance of a higher price support / across land-holding sizes

As many as 76% landless tenants, 75% of marginal farmers and 65% of small farmers answered that they would want the cash transfer to continue even if MSP increases to the level they desire. **Thus, a major chunk of the farmers owning anywhere between 0-5 acres of land wanted to continue to get cash transfers notwithstanding the MSP increase.** Whereas in case of large farmers, all the 3 surveyed said that they wouldn't want cash transfers if the MSP indeed increases to the level they desire. This was because large farmers have way more easy access to the Cotton Corporation of India in this case, or even otherwise, to the government selling crops at MSP, and didn't find the need to continue receiving the cash transfer in case the MSP rises. But in case of small and marginal farmers, especially from the lower- caste communities, this access to MSP becomes very difficult.

The table below gives a cursory glance of the number of farmers who got access to MSP across land-holding sizes. Three farmers have been excluded because they didn't reply.

**Table 3.10:- Percentage of farmers with access to Price Support (Percentage of Farmers who were able to sell their crops at MSP last year)**

Type (Was the farmer able to sell the crop at MSP)	No (%)	Yes (%)	Total (N)
Landless Tenant	86%	14%	29
Large	0%	100%	3
Medium	50%	50%	6
Semi Medium	7%	93%	15
Small	44%	56%	16



Marginal	42%	58%	19
<b>Total (N)</b>	<b>44</b>	<b>44</b>	<b>88</b>

Source: *Created by the author; the table shows how many farmers were able to sell their crops at MSP in the previous year. 3 farmers have not been included because they didn't answer.*

Just a cursory glance at the table above, reinstates the aforementioned submission. Out of the 30 landless tenants surveyed, 25 (83.33%) of them weren't able to sell their crops at MSP because they didn't have any land records or documentation proving they were the actual cultivators. Whereas all large farmers, 50% of the medium farmers and 93% of semi-medium farmers were able to sell at least some of their produce at MSP. Up to 43% of the small and marginal farmers could *not* sell their produce at MSP. This is because for the poor farmers, credit tying arrangements have repercussions in the output market. (Kannan 2017) Because of the dominant position of the trader and money lenders in the agrarian structure, the small and the marginal farmers often are forced to take loans from traders for working capital needs with (tying) conditions that include: (a) selling of the agricultural commodity only through the trader from whom loan was taken, and (b) paying commission to the trader by way of selling agricultural commodities (Ibid). In such a situation, selling crops to the government and the consequent "price- support" ends up becoming a far-fetched dream.

Thus the very debate between income-support vs price-support is of relevance only in the context of resourceful, dominant caste farmers with good land-holding sizes; since due to the unequal agrarian structure, it is only *they who have access to price-support at the first place*. For instance, Laxmanna Eulpula, a marginal scheduled caste farmer from the Madiga community cultivating 2 acres of land said that he wanted Rythu Bandhu along with MSP because he anyway never managed to sell his crops at MSP and that there was rampant caste-class discrimination exercised by traders while purchasing crops. *"They look at you and decide the rate at which they will purchase your crops."*

Similarly, when Gontimukkalla Ganganna- a marginal farmer from the Scheduled Caste (Madiga) community cultivating 2 acres of land- was asked this question, he replied *"Yes and no. we need Rythu Bandhu any which way because we, due to the small output we produce, don't sell our produce to CCI, we directly sell it to the private traders who generally buy the cotton from us at lesser than the MSP rate. Private traders don't give us a good rate knowing we are small farmers. At least Rythu Bandhu is given to us and acts as a safety net. In case we manage to sell our crops at MSP, then we don't need Rythu Bandhu. But at this point, Rythu Bandhu is helpful."*

The perception was that of cash transfer/ Rythu Bandhu being a 'safety net' if things started going down south. In fact, this is the reason why many researchers have argued in favour of cash transfers- because they act as 'safety nets' and reduce vulnerability to risk. (Farrington et al) A similar situation was faced by tenants who couldn't sell the crops at MSP due to absence of land records and had to sell it off to private traders who purchased the crops at sub-optimal rates. Perhaps that's why Angari Ganganna, a



landless tenant from the Munurrukapu community cultivating 8 acres of land said that he wants both- to sell his crops at MSP and direct cash transfer because he anyway doesn't have access to any of these provisions due to not having his own land.

The table (*which shows the preferences of farmers for income support even after an assurance of a higher price support*) also shows that semi-medium farmers (cultivating between 5-10 acres of land) were split between the choices of wanting to receive cash transfer even after an increase in MSP. While 8 of them answered they wouldn't need the cash transfer, 7 of them answered that they would continue to need it. When it came to medium farmers (cultivating between 10-25 acres of land), surprisingly enough, 5 out of the 6 medium farmers said that they would need cash transfer even if the MSP rate increased. At least two of these medium cultivators though hadn't sold their crops at MSP, but to private traders and furthermore hadn't received Rythu Bandhu for either one of the seasons/ for both. Which highlights the point that they wanted the continuation of cash transfer perhaps because they didn't have access to MSP or weren't undertaking cultivation. Based on conversations with the farmers, I gathered that the essential idea of wanting Rythu Bandhu was also that it helped them cover at least some portion of their cost of cultivation. It is for this reason that more than 60% farmers wanted to continue with it.

At the same time, that 32% of the farmers said that they won't need cash transfers if they get a reasonable Minimum support price or if they are able to sell their products at a reasonable price indicates that one of the major lacunae for them, is the lack of price support / lack of infrastructure facilitating access to good crop yields - and consequently access to price support. This is visible for instance in case of Rajeshwar's answer, which I mentioned earlier. A marginal farmer from the OBC community with 1 acre 34 guntas of land, Rajeshwar complained that the land he was assigned by the government was of very poor quality leading to dismal yields and concomitantly the MSP/ prevailing market prices made no difference to him as he didn't have any good output to sell at the first place.

In such a situation, where the land quality is poor, there is lack of irrigational access and lack of markets and agricultural mandis, cash transfers at best act as a safety net- but not a solution to the systemic and structural flaws in agriculture. This conceptualization of cash transfers as a safety net (as mentioned above) was prevalent consistently in most of the farmers' answers wanting to continue to receive cash transfers notwithstanding an increase in MSP rate, especially in case of marginal and small farmers. Cash transfers for them acted as a last resort of sorts - in case traders and the government refuse to purchase their crops. This in my view, also constitutes the essential limitation of cash transfers- in so far as they continue to remain and be viewed as just a safety net in the situation of other crises gripping agriculture at a larger level- not only will no farmer ever say no to them, but also it will reduce the scope of bringing forth other institutional changes much needed in agriculture viz. strengthening credit markets, providing good quality assigned land to the SC ST community, strengthening agricultural markets and supply chains, providing subsidised inputs to the actual cultivators of land (primarily small,



marginal, and poor peasants) to increase profitability from crop production, increasing government investment in rural infrastructure like irrigation, power, roads, and transport, increasing allocation for rural employment generation programmes like Mahatma Gandhi National Rural Employment Guarantee Scheme, provision of universal PDS in rural areas, and altering the agrarian structure that could lead to more equal access to resources.

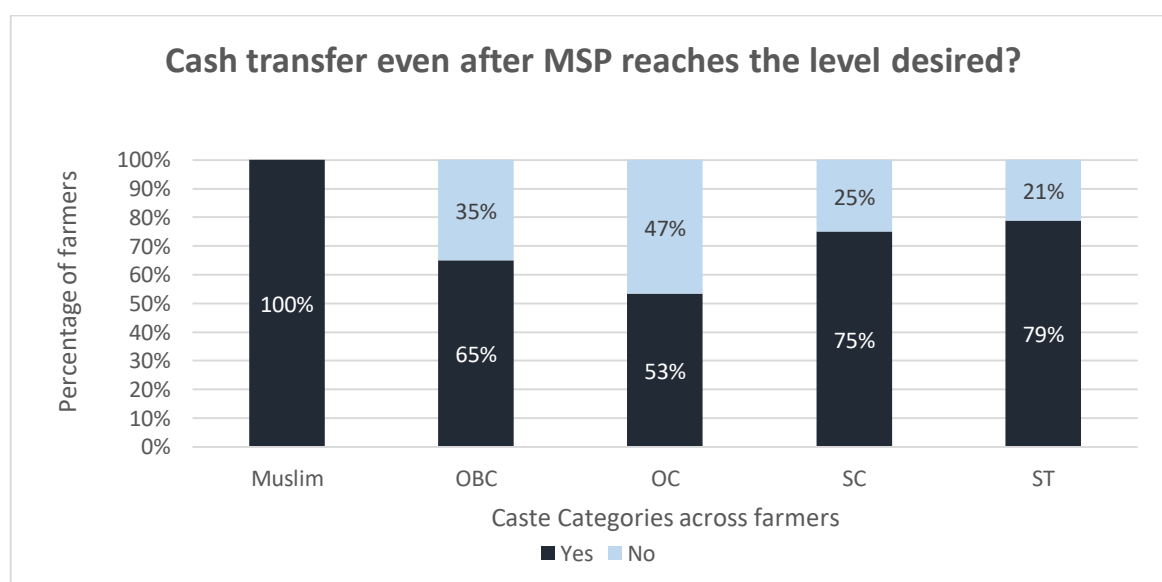
➤ **Caste wise break-up of the choice between price-support and income-support**

**Table 3.11:- Preferences of farmers between Cash transfers (Income Support) and desired MSP (Price Support) across Castes**

Cash transfer even after MSP reaches the level desired?	Muslim	OBC	OC	SC	ST	Total
Yes	1	28	8	9	15	55
No	0	15	7	3	4	35
<b>Total</b>	<b>1</b>	<b>43</b>	<b>15</b>	<b>12</b>	<b>19</b>	<b>90</b>

Source: Created by the author; the table shows the caste-wise break-up of the choice between price support and income support

**Figure 3.17:- Preferences of farmers between Cash Transfers and desired MSP across land-holding sizes**



Source: Created by the author; the graph shows the caste-wise break-up of the choice between price support and income support

In the previous sub-section, instances of lack of access to MSP among lower castes and their concomitant desire for continuing with cash transfers were discussed. This table examines the issue further by throwing light on the caste-wise breakup of farmers and their preferences between income



support and price support. As can be seen above, 79% of the Scheduled Tribes and 75% of Scheduled Caste farmers interviewed answered that they would want to continue with cash transfers even after the increase in MSP rates to the level they desire. While only 54% of OBCs and 50% of the forward castes answered the same. This clearly shows the caste divide between the lower castes and upper castes and also highlights that access to remunerative prices and MSP (floor/insurance) in India is often determined by caste. In such a situation, cash transfers assume a lot more significance for lower castes than for upper castes.

#### ➤ **Cash Transfer vs Direct Inputs; Price Support Vs Income Support**

The aim of this section is to assess whether there was any pattern established between the choice of cash transfers and direct income; and that of price support and income support. I found that 19 out of 56 (**34% of the**) cultivators who said that they prefer cash to direct inputs also said they *won't* need cash transfers if MSP increase to the level they desire. These cultivators thus preferred cash transfers to direct inputs/ subsidies, but also said that they won't need these very cash transfers if they get a reasonable price for their cultivated output. This shows that the essential aim of these farmers was to get a remunerative price for their produce- enough to break-even and earn some surplus. In addition, **36% (7 out of 27)** of those who preferred direct inputs to cash transfers also said that they *wouldn't want cash transfers if MSP increases to the level they desire*.

On the other hand, **64% of those** farmers who preferred cash over direct inputs said that they would *continue to want cash transfer* even if MSP increased to the level they desire i.e. these farmers preferred cash over direct inputs and wanted to continue to receive the income support notwithstanding the assurance of price support.

#### ➤ **Usage of cash transfer and the choice between Price and Income support**

There were new- somewhat contradictory- findings for this sub-section. The first that 65% of those who did **not** spend their cash transfers on agriculture preferred price support to income support. This was because for them price support was perceived as more useful for agriculture than income support (which is corroborated by the fact that they didn't spend it on agriculture). These farmers were also the ones who said that if an MSP is guaranteed and if they just get a remunerative price for their produce, they would not need cash transfer at all. According to them, cash transfers was hardly any share of their cost of cultivation and besides these farmers said that cash tend to get used for more immediate purposes in hand than for agriculture per se.

The second finding was that there was a greater preference (58%) for income support than price support among farmers who spent some or all of their cash transfer on agriculture. This shows that cash transfer was considered a better alternative to an increased MSP among farmers who had actually spent it a component/ all of it on agricultural activities. For these farmers, cash transfer provided the necessary



relief needed during sowing season which MSP couldn't provide to them. **This also highlights the limited scope of the argument which pits price support as an opposite to income support**– A point brought out by the District Agricultural Officer of Adilabad – *“that even if the MSP of cotton is increased to the level desired, will it be able to substitute the role of the income support in so far as that the purpose of it is to ultimately act as a support during initial cultivation and sowing when the farmers face a lot of cash distress.”?*

In the context of agriculture, an income support scheme like Rythu Bandhu has a different role to play for the farmers (to act as a relief from debt in the initial sowing season and aiding investment) and a price support scheme has a different role to play (to ensure remunerative prices to farmers- enough to cover their cost of cultivation *after* the harvest). Thus viewing these two as mutually exclusive, limits the scope of both these policy instruments.

**For more detailed information on this sub-section, see Appendix 1.6**

### **III. Uniform cash transfers vs cash transfer based on land ownership**

After the launch of Rythu Bandhu, other cash transfer schemes were adopted in other states of India. One of the schemes that became popular was KALIA (Krushak Assistance for Livelihood and income augmentation) launched by the Odisha Government. Among other things, the scheme promised Rs 5,000 per acre per season to all farmers uniformly with up to 5 acres of land. This was in contrast with the Rythu Bandhu model which provided cash transfer based on land-ownership (not uniformly) with no cap/ limit on the number of acres owned. This led me to asking farmers what they would prefer, would they prefer a uniform cash transfer regardless of the amount of land owned, or would they prefer a cash transfer based on land-ownership like in the Rythu Bandhu Model. The following table was obtained:-

**Table 3.12:- Preferences of farmers between Uniform Cash Transfer and Cash Transfer Based on land ownership**

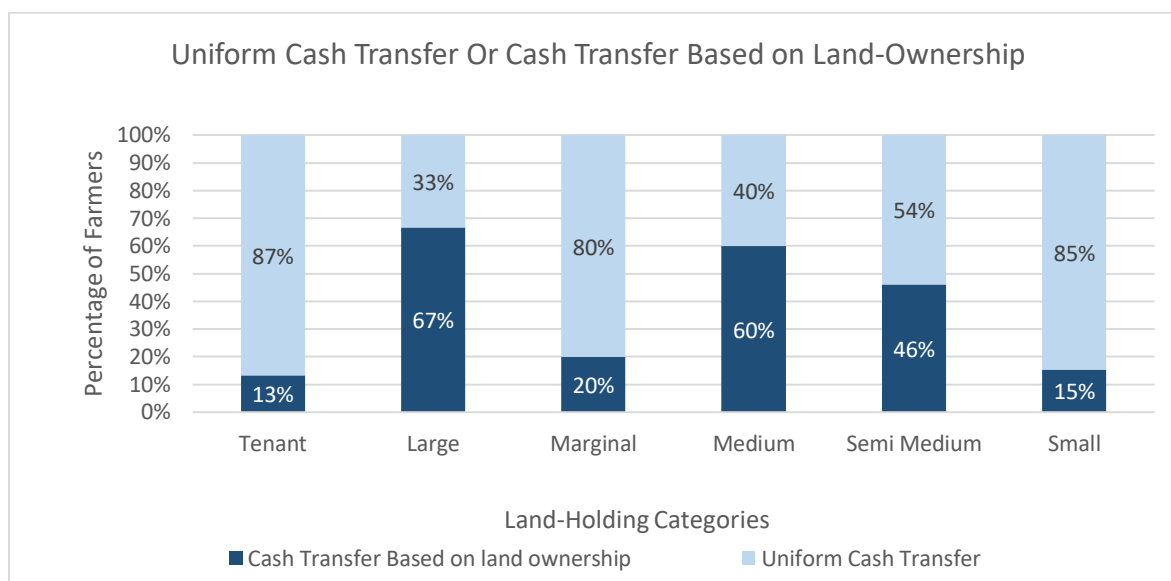
Choice	Frequency	Percent
Uniform Cash Transfer	63	75%
Cash Transfer based on land ownership	21	25%
Total	84	100%

Source: Created by the author; the table shows the preference of farmers between Uniform Cash Transfer and Cash Transfer based on Land-Ownership

In the table, the choice is between cash transfer based on land ownership like in the Rythu Bandhu Model and Uniform cash transfer regardless of the amount of land owned. As can be seen, of the 84 farmers who answered the question, 75% replied that they wanted a uniform cash transfer and 25% replied that they wanted a cash transfer based on land-ownership.



**sFigure 3.18:- Preferences of farmers between Uniform Cash Transfer and Cash Transfer Based on Land-Ownership**



Source: Created by the author; The graph shows the preference between Uniform Cash Transfer and Cash Transfer based on Land-Ownership among farmers across different land-ownership sizes

In the graph above, it can be seen that while around 87% of landless tenants, 80% of Marginal farmers, 85% of Small farmers and 53% of semi-medium farmers wanted uniform cash transfer, only 37.8% of the large and medium farmers (more than 10 acres of land) wanted uniform cash transfer.

Thus while, 84% (53 out of 63) of all farmers with land holdings between 0-5 acres (landless tenants, marginal and small farmers) wanted a uniform cash transfer to be given to all farmers regardless of land-ownership, less than 50% of all the farmers with land holding sizes greater than 5 acres wanted a uniform cash transfer. This wasn't a surprise as the latter group of farmers wanting a uniform cash transfer regardless of land ownership would have gone against their own interest (given their relatively larger land holding sizes). Some of the marginal and semi-medium farmers who wanted cash transfer based on land ownership believed that it should be capped to 20 acres while other farmers who said they wanted cash transfer based on land ownership made the choice because larger farmers need more investment for their crops and consequently, greater income support. No significant association appeared between caste and the choice of uniform cash transfers and cash transfer based on land-ownership.

#### (v) **Rythu Bandhu and Debt**

As per the All India Debt and Investment survey, from 1993 to 2003, the percentage of farmer households in debt increased by more than 12 percentage points. Telangana's situation in terms of farmer indebtedness was particularly worse- with 79% of agricultural households in Telangana under debt as opposed the national average of 52.5%. (NABARD All India Rural Financial Inclusion Survey,



2016-17) In fact, Telangana's social development report published by the state government showed a higher estimate of over 89% of the state's rural agrarian households under debt. The dire state of Telangana in terms of indebtedness was acknowledged by the government in its official document on Rythu Bandhu scheme.

This is why, apart from increasing agricultural productivity, the other primary aim of Rythu Bandhu was to reduce the indebtedness of the farmers by giving them a respite of sorts in the form of cash during the initial sowing season- when farmers are in dire need of funds. Since Talamadagu village was located right at the *Mandal* headquarters and had a Bank of Maharashtra branch right within the village, the access of the farmers to institutionalized credit was fairly decent.

**Table 3.13:- Sources of Credit (Institutional and Non Institutional) among farmers**

Sources of Credit	Frequency	Percentage
Bank (Institutional)	54	59.34
Private/ Informal (Non-Institutional)	21	23.08
Didn't Answer	16	17.58
	91	100

Source: Created by the author; the table shows patterns of institutionalized and non-institutionalized debt among farmers

The table above shows that out of the 91 farmers surveyed, around 60% had access to institutional credit and 23% took loans from informal sources.

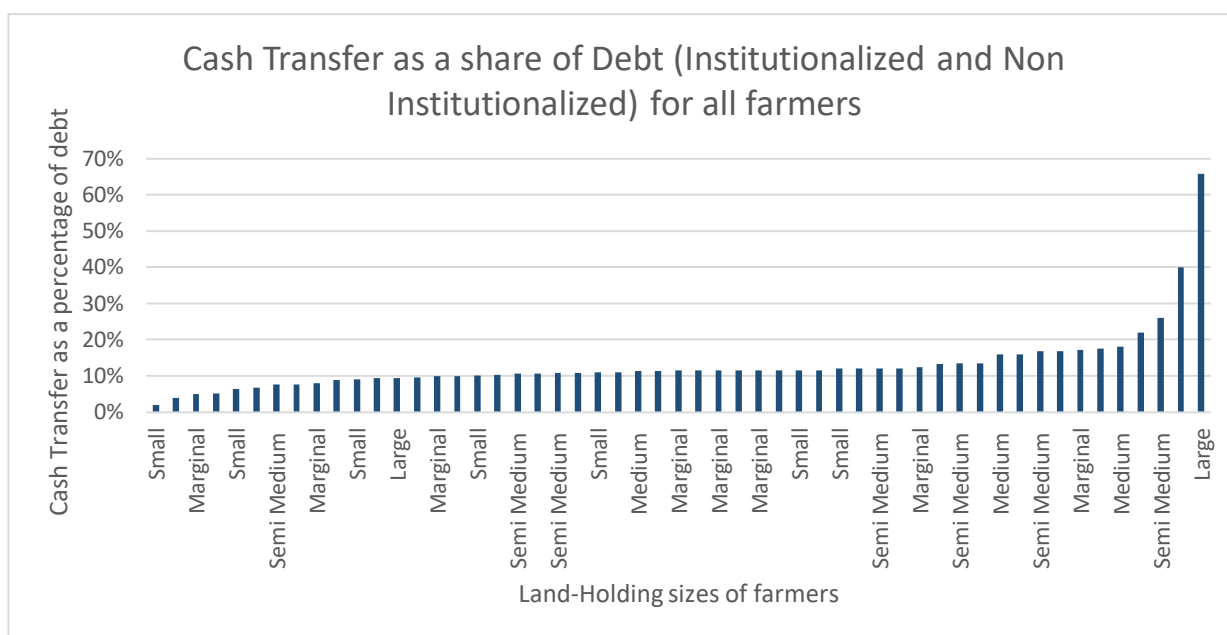
**For more information on the profiling of Debt based on Land-Ownership, See Appendix 1.7.**

#### **I. Cash Transfer as a percentage of total debt (Institutionalized and Non-Institutionalized)**

The two graphs given below show what percentage the cash transfer received was of the total debt across all land-holdings. The cash transfer included in the graph is the cash transfer actually received, and not what should have been received based on land-ownership.

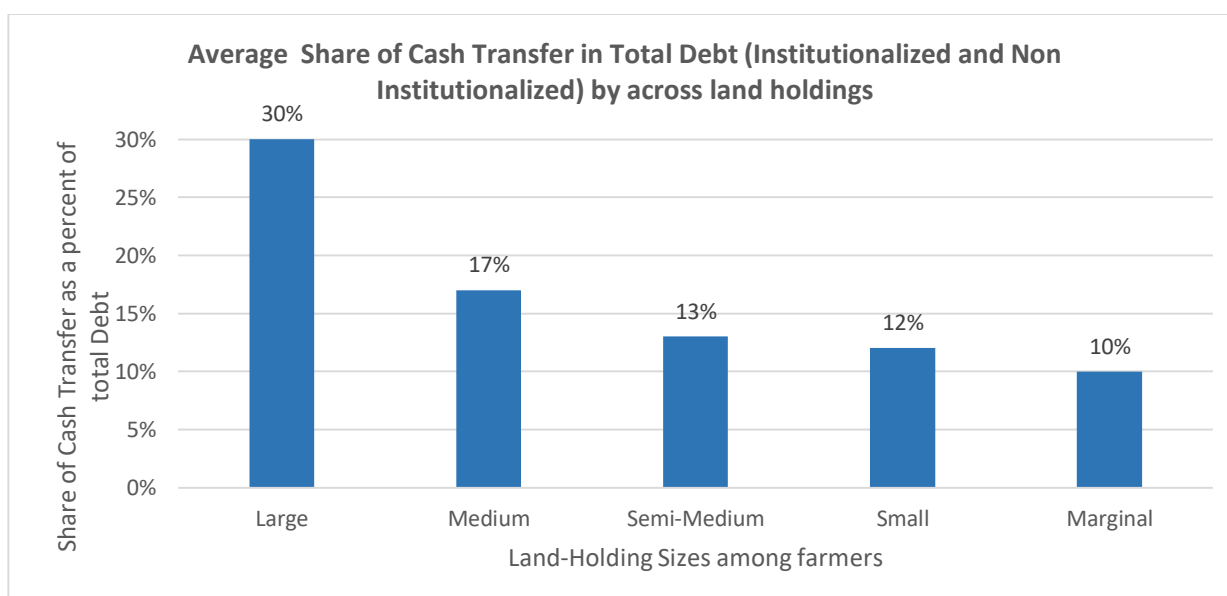


**Figure 3.19:- Cash-Transfer as a share of Total Debt for all farmers across land-holding sizes**



Source: Created by the author; the graph shows cash transfer as a share of Debt (Institutionalized and Non-Institutionalized) for all farmers

**Figure 3.20:- Average share of Cash-Transfer as a share of Total Debt for farmers across land-holding**



Source: Created by the author; the graph shows the average share of cash transfer as a share of Debt (Institutionalized and Non-Institutionalized) for all farmers

As it can be seen from both the graphs, there is a direct relationship between the land-holding sizes of the farmers of and the percentage the cash transfer formed of the total debt (including institutionalized and non-institutionalized) (2<sup>nd</sup> graph). The large farmer with more than 25 acres of land, had the highest



average cash transfer-debt percentage of around 30%, which means that the cash-transfer covered approximately 30% of the debt of large farmers. After this came the medium farmers with between 10-25 acres of land who had the second highest cash transfer-debt percentage of around 17%. The Semi-Medium farmers with land-holdings between 5 to 10 acres had an even lesser cash transfer-debt ratio of around 13%. The small and marginal farmers (between 0-5 acres of land) had the smallest cash transfer-debt percentage of around 12% and 10% respectively. Thus, it can be said that the cash transfer covered a larger portion of the debt of farmers with more acres of land and smaller portion of debt of farmers with lesser acres of land, making its coverage of debt- regressive in nature.

However, this graph doesn't explain the significance of cash transfers to small and marginal farmers, even if it covers relatively a smaller portion of their debt. A report of an Expert Group on Agricultural Indebtedness, 2007, chaired by R.Radhakrishna, stated that the major reasons for farmer indebtedness are (a) dependence of agriculture on the monsoon which affects the repaying capacity of the farmers; (b) most farmers still depending on non-institutional sources for their credit needs where the rates of interest are higher and the terms of condition are often exploitative; (c) dominance of middlemen in agriculture markets which prevents the farmers from getting remunerative prices for their produce; and (e) farmers taking loans for consumption and non-productive purposes like marriages, medical expenses etc. which do not yield any incomes.

As mentioned earlier, it is smaller and marginal farmers that are tied to these credit tying arrangements who depend on middlemen for credit and end up getting into a debt-spiral. For them, even though the cash transfer is a small share of their total debt, it helps act as a relief and prevents them from getting further into the vicious cycle of indebtedness, but this stands only if the cash transfer reaches them at the right time. Nevertheless, most farmers, especially the smaller ones felt that the scheme helped cover a part of their debt.

It is for this reason that when all the landed farmers were asked if Rythu bandhu/ the cash transfer helped reduce their dependence on loan, 95% of those who answered said yes. The following information was obtained:-

**Table 3.14:- Percentage of Farmers who reported that the cash transfer reduced their dependence on loan**

Did the Cash Transfer Reduce Dependence on Loan	Frequency	Percent
Yes	53	87%
No	3	5%
NA	3	5%
Didn't Answer	2	3%
	61	100%



Source: *Created by the author; the table shows the percentage of farmers who reported that the Cash Transfer reduced/ did not reduce their dependence on loan*

In the table above it can be seen that approximately 95% (53 out of 56) of the farmers who answered the question said that the cash transfer indeed helped them reduce their dependence on loans. This spans across land-holdings. Only 3 farmers out of the 61 said that the cash transfer did not particularly help them reduce their dependence on loan; out of this 2 were small farmers and 1 was a semi-medium farmer.

All in all, it may be concluded that Rythu Bandhu managed to provide a lee-way during the time of a liquidity crunch but the scheme is regressive in its coverage of debt in so far as it covers a larger proportion of debt of farmers with more acres of land. A larger question that needs to be raised here, however is about the scope of such a cash transfer in reducing indebtedness. Such a cash transfer can provide relief from indebtedness, sure. But emancipation from it? Perhaps not. That can be done only by a systematic overhaul of both the situation of rural credit in the country and enhancing agricultural infrastructure.

### **3.5 Summary and Final Submissions**

This chapter analysed the Rythu Bandhu scheme within a broader framework of analysing cash transfers as a policy instrument in agriculture. Rythu Bandhu was envisaged as an investment support scheme to facilitate agricultural investment during the initial sowing season, by providing an income support to farmers and consequently reducing their reliance on, (and indebtedness to) the middle-men-traders-money-lenders nexus. The scheme was assessed on 5 broad parameters. (i) Its reach, (ii) How it was utilized, (iii) Was it sufficient for the farmers, (iv) what were the preferences of the farmers pertaining to cash transfers vis-à-vis other forms and (v) the question of cash transfer and indebtedness.

Based on my analysis I have the following key submissions to make:-

- I. The scheme's reach was 78%. That is, 78% of all farmers got the complete cash transfer for both seasons. While this may seem optimistic, the catch lies in noticing the socio-economic profiles of the farmers who were excluded. Most of these farmers excluded were marginal and semi-medium and from the SC, ST, OBC communities. Enormous literature and reports exist on the lack of awareness, inefficiency, and reach of MSP; especially its exclusion of small and marginal farmers. One of the reasons why cash transfers emerged as an alternative in policy circles was because of its ability to reach smaller farmers. (Gulati, 2018) But in so far as those excluded from the cash transfer happen to be from marginalized castes and land-holding sizes in my survey, questions can be raised about cash transfers as an effective alternative. The problem here, as per me is the problem of identification. So



- long as the process of identifying the beneficiaries of cash transfer (LRUP in this case) remains exclusionary, the cash transfer is bound to assume exclusionary tendencies as well.
- II. Having said that, many smaller farmers, especially from scheduled caste-scheduled tribe communities who received the cash transfer found it useful since it acted as a safety net for them. In the survey, a significant portion of small and marginal farmers (at least 45%) couldn't sell their crops at MSP and in general, didn't have access to MSP. That's why the majority of the small and marginal farmers (65% and 75% respectively) preferred to continue receiving the income support even after being given the option of higher price support. (The question asked was if they would want cash transfer even after MSP increased to the level they desire) They argued that they never got to sell their crops at MSP any way and that there existed rampant caste discrimination practiced by traders, so a higher/ lower MSP was of no use to them, as they anyway did not have access to it. Some argued that the quality of land assigned to them by the government was of such poor quality that they were hardly able to produce any output from it- thus for them, the cash transfers came as a much needed respite - when other provisions of the government failed to reach them/ proved inadequate.
  - III. I found that most of the claims of the State officials justifying the exclusion of tenants from the scheme- were ignorant of the ground realities. Contrary to the claims made by the government that land-owning farmers would share the cash transfers with tenants, not one farmer shared the cash transfer they received with the tenants and in 97.5% of the cases, the lease rate increased or remained the same after Rythu Bandhu instead of decreasing/ the 'markets adjusting the lease rates themselves'. Given the history of protective tenancy legislation in Telangana and the concomitant fear of land grab by tenants that prevails among land-owners, there is high amount of mis-trust among land-owners and tenants. In such a situation, it was natural for a scheme that excludes tenants from its purview to reinstate agrarian hierarchies rather than offsetting them. The wider sense among all tenants surveyed was the willingness to get a cash-transfer at whatever prevailing rate. In fact, up to 87% of the tenants surveyed felt that cash-transfer should be given uniformly to all farmers regardless of the amount of land owned as opposed to the Rythu Bandhu Model (cash transfer based on land-ownership).
  - IV. On examining how the scheme was utilized, I found that in Kharif Season (the primary cropping season), only around 68% of the farmers spent some or the entire portion of their cash transfer on agriculture. While 32% spent it on other use. This implies that up to 32% or more of the scheme's budgeted funds did not get spent on its purported objective as the farmers never used the amount as a support to their investment in agriculture. In fact, this figure for Rabi Season was even higher with around 78% of the farmers not utilizing the cash transfer for agriculture in Rabi Season- instead using it for whatever immediate



objective they had to meet- such as household expenses, daughter's marriage, Kharif Season Harvesting etc. This was but obvious given that 78% of the land-owning farmers did not even undertake cultivation during Rabi Season. It was for this reason, that the expenditure on other use almost doubled from Kharif to Rabi Season for many small, marginal and semi-medium farmers. Thus the fiscal wastage for both seasons- especially Rabi season in terms of the intended objective of the scheme was enormous- making the scheme inefficient. (Ironically enough, because inefficiency of price-support and in kind-transfers was the reason why many in academia and policy circles wanted to shift to cash transfers at the first place). This also threw light on the fact that in case of cash transfers, there is a little correlation between the said objective of the scheme and how it ultimately ends up getting used by the farmer. Even the narratives emerging from the farmer vindicated this. Farmers said that they used the cash transfer for whatever came up that time. This brings me to my next submission.

- V. One of the most important parameters for the success of the Rythu Bandhu scheme is the timing of the disbursal of funds. If the timing of the disbursal of funds indeed takes place right at the initial sowing season, then there is a high chance for the cash transfer to get utilized for sowing, initial cultivation, purchase of fertilizers etc. But if the funds are disbursed even a bit late- by which time the initial cultivation period has passed, the likelihood of the scheme to meet its objective reduces. In 2018- the year of its launch, the Kharif Season funds were disbursed on time- in part also because it was an election year. But in Kharif 2019, funds had not been disbursed even by the end of May, as I verified during the survey and as many news outlets reported.
- VI. On the question of sufficiency, approximately only 41% of the farmers who received the cash-transfer found the recently announced Rs 5,000 sufficient and up to 43% wanted more. This made sense because for majority of the farmers (excluding the large ones), the cash transfer formed only around 20% of their cost of cultivation. Furthermore, The Cash Transfer as a share of household income had a direct relationship with the land-holding size, i.e. as the land-holding size increased of the households, so did the share of the cash-transfer as a percentage of the household income. It formed the smallest percentage of the annual income for Marginal Households (16%), a bit more for Small Households (36%), around 59% and 80% of the annual incomes for Semi-Medium and Medium Households and a whopping 174% of the annual incomes for the large households. This threw light on the fact that large households seemed to benefit disproportionately through the Rythu Bandhu Scheme. This also indicated the regressive nature of the scheme, for which it has been critiqued by numerous people.
- VII. When farmers were asked what they prefer between cash transfer over direct inputs, 66% of them said that they prefer cash transfer and 32% of them said that they prefer direct



inputs. The rationale for preferring cash transfers were many- ranging from how they act as safety nets – to cash transfers being fungible – to the bad quality of inputs (seeds/ fertilizers) provided by the government and the possibility of buying better quality of inputs using cash and many more. This is the reason why when farmers were asked if they would like to continue receiving the cash transfer (income support) even if the MSP increases to the level they desire, the majority of them (68%) said they would. The desire to continue receiving income support even after the assurance of a higher price support was largely seen among small, marginal and medium farmers and among SC, ST farmers. The farmers who insisted on receiving the income support even after an increase in MSP to the levels they desired were the ones who didn't have access to MSP/ other provisions by the state/ had disputed land-titles- for whom cash transfer was the last social security of sorts. However, there is always a tendency for an over-optimistic picture of cash transfers being presented. I found this even in my survey. For instance, there were at least 18% farmers who didn't spend anything from their cash transfer on agriculture and yet claimed that Rythu Bandhu directly helped them in cultivation. This points to a larger trend as to why cash transfer surveys generally present an optimistic picture since everyone likes cash in their hands and wouldn't answer in any way that could lead to them losing it. (Appendix 1.5)

- VIII. One significant insight I found through my analysis was that cash transfers and MSP can't really be pit against each other because both of them (at least in the context of Rythu Bandhu) serve very different purposes. While many farmers who said they would not want a cash transfer with a higher MSP said it because they felt that an assured increased MSP would be much more effective in meeting their costs of cultivation than a cash transfer, those who wanted to continue to receive cash transfer felt that it provided with the much needed liquidity during the initial sowing season, which MSP wouldn't be able to provide them with as it comes only after harvest. In the words of the District Agricultural officer (DAO), *"even if the MSP of cotton is increased to the level desired, will it be able to substitute the role of the income support in so far as that the purpose of the latter is to ultimately act as a support during initial cultivation and sowing when the farmers face a lot of cash distress"*. Therefore, pitting the two policy instruments of agriculture against each other won't be useful as they aren't mutually exclusive and served different purposes.
- IX. Talamadagu village, because of being the headquarters of Talamadagu *Mandal* was a well-connected village with a bank right inside the village. Yet, the access to institutionalized credit was decent but still limited (only around 60%) given that a bank was there right inside the village. The cash transfer formed a larger part of the debt of the larger farmers and a smaller part of the debt for smaller farmers. In fact, there was a direct relation between the land- holding size of the farmer and the average proportion the cash transfer formed of



the farmer's debt – large farmers (30%), medium farmers (17%), semi-medium farmers (13%), small farmers (12%), marginal farmers (10%)- making the scheme regressive by design. However, for marginal and small farmers, credit tying arrangements include selling the agricultural commodity only through the trader from whom the loan was taken. In such situations, cash transfers can reduce their dependence on traders and consequently their indebtedness to them. Thus even if the cash transfer is a smaller proportion of the debt of smaller farmers, they believe that it offers them some sort of lee-way. But that's the thing. These cash transfers may provide relief from debt to these farmers for sure. But freedom from indebtedness? Perhaps not. For this a systemic over-haul of underlying systems is needed- better access to institutionalized credit especially to small and marginal farmers and landless- tenants (which can be ensured only by more branches of banks setting up in rural areas, more regional rural banks etc), better infrastructure in warehousing and transportation, irrigation in agriculture, strengthening market linkages, insurance etc. This brings me to my last and final submission.

- X. A fundamental issue that I find important to raise is the need to make clear the very objective of these agricultural policies, something which Ugo Gentilini has also talked about. Are they aimed at providing support to the farmers or are they aimed at improving productivity of the agricultural sector as a whole? While I understand that the two objectives are not mutually exclusive, a distinction between the two objectives (Producer support/increase in productivity/both) will help lay out a yardstick to measure the schemes on and will consequently help analyse the effectiveness of cash transfers as a policy instrument in that light. *The official Rythu Bandhu website states "Investment is the surest way to enhance agriculture productivity and also income to the farmers, besides breaking the vicious cycle of rural indebtedness. In order to ensure that the farmers do not fall again in to the debt trap, a new scheme called "Agriculture Investment Support Scheme" ("Rythu Bandhu") is proposed."*

If Agricultural Productivity is the aim, then that can also be improved by increasing access to institutional sources of credit. In fact, even indebtedness can be reduced by increasing access to institutional sources of credit- this can be done by ensuring that there are lucrative credit schemes and lending rates, especially for small and marginal farmers and also by ensuring that tenants are included within the purview of institutional credit (by initiatives like organizing the tenants into Joint Liability Groups). Setting up regional rural banks and investing in enhancing the overall agricultural infrastructure including irrigation, warehousing will go a long way in achieving this. Till then cash transfer can continue to serve as a safety-net, but it's important to acknowledge that they can *only* serve as a safety net/ respite- till other larger institutional changes take place.



## CHAPTER 4

### CONCLUSION

The aim of this dissertation was to document the Land Record Updation Programme **and** to assess the Rythu Bandhu Scheme- India's first cash transfer scheme for farmers- in terms of its reach, use, sufficiency, debt coverage and the preferences of the farmers. These two exercises were undertaken with the broader objective of understanding the scope of cash transfers to be able to deal with issues pertaining to development.

Even though at the outset, my underlying objective was to view LRUP as a capacity building exercise for the Rythu Bandhu Scheme, I realized that LRUP can be placed within the larger framework of the Digital India Land Record Modernization Programme (DILRMP). On doing this, it became clear that modernization and digitization of land records has in fact been an on-going exercise in India, albeit with lackadaisical and tardy implementation. DILRMP can be traced back to 1987-88 when the first pilots of land record updation were conducted and became a national level programme in 2008 with the express purpose of having digitized, conclusive, real-time, insured land titles and a comprehensive land information system.

Telangana's initiative of undertaking a mammoth textual updation of its land records (mainly corroborating the *Patta* Passbooks of the land owners with the Record of Rights existing at the revenue department) from September 2017 to April 2018, was the first step towards having conclusive and real-time land titles. However, because the exercise was conducted on a campaign mode to meet the more immediate objectives of preparing grounds for the roll out of the Rythu Bandhu Scheme, it tailored its objectives to solely meet the capacity-building requirements of the scheme. This, as per my analysis, prevented the State from undertaking a comprehensive cadastral (physical) survey to determine real-time land extent and ownership which would have consequently given real-time land records. The officials interviewed too denied the possibility of such a cadastral exercise taking place anytime in the near future. I found that the attitude and intent of the exercise, determined to a large extent the way it was undertaken. For instance, the *Telangana Rights in Land and Pattadar Passbooks Act 1971* was amended specifically to exclude the interests of tenants from the purview of *Patta Passbooks* and *Pahani*- This was done to suit the Rythu Bandhu Scheme's agenda of disbursing cash-transfers only to land-owning farmers and not to tenant- farmers.

The effort with which the LRUP was conducted is laudable- proper reporting hierarchies with regular checks were established, legislative and administrative changes were properly notified and the process managed to achieve up to 93% of "purified" land records, – which were put in Part-A/ clear land records (based on government claims). However, there were some loopholes and discrepancies in the process. The Revenue officials who were interviewed complained of a constant lack of time, resources and



personnel. It came to light that no time was given to undertake the LRUP in a comprehensive meticulous manner. The exercise was supposed to have been conducted in a span of three months and was supposed to have ended by December 2017; it nevertheless continued till March 2018 as a three month period for such an exercise wasn't enough. The targets to be achieved were too idealistic and some revenue functionaries claimed of undergoing a lot of stress and even fainting. The revenue officials further complained of the lack of trained surveyors and the shortage of equipment and modern survey tools such as DGPS, E-Trex GPS devices etc. This led to haphazard updation of records in some cases even as land-records with errors were shoved into part-B (part-B entails disputed land records) without proper verification and corroboration with past land-records and transactions. Hence, the paucity of time and resources led to a situation where a few revenue officials couldn't follow proper protocols with respect to ascertaining accurate possession and ownership.

Furthermore, one of the biggest fallacies of the exercise was that it used an 80 year old document- *Sethwar* to reference current day land records with, notwithstanding the fact that using such an old document ignores changes in land area, extent and ownership patterns over so many years- This led to the process becoming prone to inaccuracies. Apart from that, there were issues with the larger digitization of land records. The *Dharani* platform- which was launched to link all the three land record departments (viz. the Revenue, Registration and the settlement department) and form a comprehensive digitized database of records had reportedly become extremely tedious and cumbersome to work on. The complex, multilingual and fragmented nature of land records inherited by Telangana owing to the Nizam's rule, also made the process as a whole tougher. Data from the *Kisan Mitra* Helpline showed the complex nature of the land cases under Part-B ranging from Agency Area issues to issues of Assigned Land to issues dealing with disputes between the forest department and the revenue department to *Sadabainama* cases (or cases of unregistered white-paper transactions). The helpline database also threw light on the impact the absence of land records could have on farmers at a time when almost all entitlements are linked to land-records. It showed the casteist tendencies such processes can assume and the significance updated land-records could have for tribals and OTFD (Other Traditional Forest Dwellers).

To summarize, the documentation highlighted how the Land Record Updation Programme was fraught with complex legislative complications, suffered from major resource and time constraints and was limited in scope in so far as it did only what was required for the implementation of the Rythu Bandhu scheme. The documentation exercise also threw light on the fact that a mere textual updation of land records without a physical or cadastral survey can't go a long way in achieving a comprehensive, real-time land information system. Apart from this, the analysis of LRUP helped raise questions on the ability of such an exercise to reinforce existing caste-class hierarchies and its capacity to actually benefit those that it claims to. This becomes all the more important when the process acts as an identification mechanism for the implementation of future schemes. Having said that, the process was nevertheless



the first step towards having a comprehensive, real-time land information database and also served as a role-model for other states to follow. It set in motion a bureaucratic inertia of constant updation of land records and of better communication and digitization across departments, even as the state machinery seems to be working relentlessly, as observed at the village, *Mandal*, Division and District levels.

As regards the analysis of Rythu Bandhu scheme, the first thing that I found was that unlike the earlier context of NFSA when cash transfers were proposed as substitutes for in-kind subsidies, the present policy of cash-transfer for farmers offered the cash as an add-on to existing agricultural subsidies and price supports. Thus, for land-owning farmers in Telangana, the cash-transfer came as an *add-on* to their existing entitlements. This, to an extent, also determined the preferences for cash transfers among farmers. For instance, when farmers were asked what they preferred between cash transfers and direct input subsidy, 66% of them said they preferred cash-transfers. Similarly, 68% of the farmers preferred income-support over price-support. According to me, Farmers preferring cash-transfers over other existing measures took place for two reasons:-

- 1) Firstly, cash-transfer had a higher reach among farmers than other agricultural provisions. The survey showed that the cash transfer scheme's reach was around 78% in the sample studied. Whereas other provisions like MSPs simply couldn't reach as many farmers (only 50% of the farmers in the survey were able to sell their crops at MSP). Cash-transfers particularly proved to be beneficial for small and marginal farmers because to them the transfer acted as a much needed relief measure/ safety net when other existing agricultural provisions weren't reaching them. It was for this reason why the majority of the small and marginal farmers (65% and 75% respectively) wanted to continue receiving the cash transfer/income support even after the assurance of a price-support was given. It was because these small and marginal farmers barely got access to price-support (MSP) at the first place or even to good quality land assigned by the government. Lower caste farmers claimed to face caste based discrimination exercised by the traders due to which they received a lesser price for their produce and couldn't sell their crops at MSP either. Thus cash transfers proved to be very useful for smaller and lower-caste farmers. In addition, cash transfers formed at least 20% of the cost of cultivation for Marginal, Small, Semi-Medium and Medium farmers, whereas it formed only 5% of the cost of cultivation for large farmers indicating that the cash transfer was much more significant for smaller farmers than for larger farmers.
- 2) The second reason why more farmers preferred cash transfers was because at the end of the day, everyone loves a bit of cash in their hands. This is due to its fungible nature. However, notwithstanding its popularity, at least 32% of the farmers interviewed said that they wouldn't need cash if the MSP increases to the level they desire, although these farmers were the ones who largely had access to MSP at the first place.



### The Question of Exclusion:-

An important point to note, however, is that even though the reach of the cash-transfer scheme was decent, most of the farmers excluded were marginal and semi-medium and happened to belong to the SC, ST, OBC communities. Furthermore, majority of the farmers who couldn't receive the cash-transfers, couldn't receive it because of them not getting new Patta Passbooks in the LRUP process. This shows how significant the process was, since it went on to determine the scope and reach of entitlements. Furthermore, the Samagra Kutumba survey data that I used for my sampling showed that 721 of the 1,141 households didn't have any land. This raises questions about the efficacy of a scheme like Rythu Bandhu in improving agricultural productivity and reducing indebtedness in so far as at least 60% of the households are by default removed from the purview of the scheme altogether; Especially because land is an important source and access point to institutional credit, it is these landless households who are bound to resort to non-institutional credit under precarious and tough conditions. Thus by keeping tenants outside the purview of the scheme, one of the fundamental objectives of the scheme— that of reducing indebtedness of farmers – gets undermined.

Apart from this, before conducting the survey, it was common knowledge that the Rythu Bandhu Scheme was regressive by design in that it excluded tenant farmers (who are in fact the actual cultivators). In this context, I found that the claims of the government spokespersons justifying the exclusion of tenants from the scheme were ignorant of the ground realities. Contrary to the claims made by the government that land-owning farmers would share the cash transfers with tenants, the survey showed that not one farmer shared the cash transfer they received with the tenants. The survey further indicated that in 97.5% of the cases, the lease rate increased or remained the same after Rythu Bandhu's implementation, whereas the government had claimed that land-owners would pass the benefits of cash-transfers to the tenants in the form of decreased lease rates. This also disproved the claim made by the likes of Ashok Gulati, who said that after the cash transfer scheme's implementation, the market would automatically "adjust the lease rates". The reason this didn't happen is because Telangana has a long history of protective legislation which till date instils fear in the minds of the land-lords- that any protection offered to the tenants would lead to the land-lords losing their land. Thus the agrarian hierarchy is premised on mis-trust. In such a situation, imagining that a cash-transfer given to land-lords would be shared by them with tenants is not prudent at all.

More importantly, that there existed a direct relationship between the Cash Transfer as a share of household income and the land-holding size of a household, further indicates the regressive nature of the scheme in that it disproportionately benefited large households (forming a whopping 174% of their annual income). While it formed a mere 16% of the annual income for marginal households.

One of the most significant findings of the survey was that up to 32% of the farmers in Kharif Season and 68% of the farmers in Rabi Season did not utilize the cash disbursed for agricultural use, defeating



the very purpose of the scheme. This also highlights the fact that the reach of cash-transfers can't be the only parameter to assess its effectiveness and efficiency. In so far as 32% and 68% of the farmers who received the cash transfers in Kharif and Rabi Seasons respectively, did not even use it for the said objective of the scheme, the scheme by-becomes both ineffective and inefficient to an extent- with large fiscal wastage. All this tends to become a bit ironic when one thinks of the fact that of the major reasons why cash-transfers were introduced as alternatives to subsidies and MSPs was because of the ineffectiveness and inefficiency of the latter.

This draws light to a fundamental question- were the cash-transfers aimed at increasing the welfare of the farmers by providing them with income-support or were they aimed at improving productivity of the agricultural sector as a whole. If the objective was the former, then the scheme did achieve the said objective at least to some extent for farmers with smaller land-holdings. However, if the objective was the latter, which it seems to have been (as even a cursory glance of the official Rythu Bandhu document would suggest), then the scheme seems to be severely lacking based on the survey. Additionally, if enhancing Agricultural Productivity was the aim of the cash transfer, then that can also be achieved by increasing the farmer's access to institutional sources of credit. In fact, even indebtedness (the other said focus points of the scheme) can be reduced by increasing access to institutional sources of credit- this can be done by ensuring that there are lucrative credit schemes and lending rates, especially for small and marginal farmers and also by ensuring that tenants are included within the purview of institutional credit (by initiatives like organizing the tenants into Joint Liability Groups). Setting up regional rural banks and extending formal credit sources to all villages will go a long way in achieving this. Having said this, it needs to be highlighted that cash transfers did help farmers in reducing indebtedness, as reported by 87% of the farmers who received it.

Another significant finding of the survey was that the timing of the disbursal of funds was crucial to the success of the Rythu Bandhu scheme- an *initial investment scheme*. The survey indicated that if the timing of the disbursal of funds indeed takes place right at the initial sowing season, then there is a high chance for the cash transfer to get utilized for sowing, initial cultivation, purchase of fertilizers etc. But if the funds get disbursed even a bit late- by which time the initial cultivation period passes, the likelihood of the scheme to meet its objective reduces. The purpose of the cash-transfer scheme to act as an *initial investment support* also showed that the tendency in existing literature to pit cash transfers (income-support) and MSP (price support) against each other is unwarranted, since both the kinds of support serve very different purposes. The income support in this case was supposed to aid farmers in the initial sowing period, while the price support was offered to them after their harvest.

Thus, based on the survey, while it can be said that cash-transfers under Rythu Bandhu proved beneficial for smaller farmers in terms of acting as a safety net for them, and had a decent reach (78%), the scheme as a whole was not that effective or efficient in so far as that up to 32% and 68% of the farmers did not



even utilize the cash transfer for agriculture in Kharif and Rabi Season respectively. Moreover, only 41% of the farmers claimed to have found the cash-transfer of Rs 5,000 per acre per season sufficient. In terms of debt-coverage, the cash-transfer covered a higher portion of debt for farmers with larger land-holding sizes and a lower portion of debt for farmers with smaller-land holding sizes. Majority of the farmers reported that the cash-transfer reduced their debt.

Finally, to answer the question of what scope cash transfers disbursed to farmers have of alleviating the agricultural crisis and the agrarian distress:- to put it in simple words, very little. This is because, based on my survey analysis, I found that cash transfers at best can act as a “safety net” / “as a respite”- These are essential short term measures, no doubt- and even beneficial, especially for smaller farmers. However, these can’t replace any of the larger structural changes that the agricultural sector needs. What came out from my analysis was that in situations where the land quality is poor, there is lack of irrigational access, lack of access to agricultural markets and farmers aren’t able to sell their crops at MSP (i.e. they don’t have access to price support), farmers tend to love cash transfers because all other agricultural provisions are failing. In my view, this constitutes the essential limitation of cash transfers- in so far as cash continues to remain and be viewed as just a safety net in the situation of other crises gripping agriculture at a larger level- not only will no farmer ever say no to cash, but such cash transfers will also reduce the scope of bringing forth other institutional changes much needed in agriculture viz. strengthening credit markets, providing good quality assigned land to the SC ST community, bolstering agricultural markets and supply chains, providing subsidised inputs to the actual cultivators of land to increase profitability from crop production, increasing government investment in rural infrastructure like irrigation, power, roads, and transport, and altering the agrarian structure that could lead to more equal access to resources.

The attempt should be to focus on systematic agricultural changes and phase out these cash-transfers gradually as the general condition of the agricultural sector improves. It’s important to understand that mechanisms of both price-support and income-support are at best measures to insure the farmers/ rather compensate them for systemic losses in the sector. The situation of distress can be improved only by infrastructural enhancements, institutional credit extension, and land redistribution to dismantle the agrarian hierarchy. There can be no substitutes for these.

As Ugo Gentilini puts it in his primer of cash transfers, *“a productive and balanced debate on cash should be anchored to policies for addressing the root causes of poverty. While cash Transfers may be a crucial component of such policies, they can’t substitute them. A pragmatic approach is needed in order to better understand factors generating vulnerabilities and poverty in a given context, to identify the most appropriate options and embed such programmes within broader development and social protection strategies.”*



This to an extent, holds true even for larger questions of development. Even as the dominant discourse in development economics has tilted towards viewing cash transfers as the penultimate solution to developmental woes, one must be cognizant of the fact that cash transfers can at best be *instrumental* in addressing issues of poverty and development, but can't go on to redefine the very nature of development. This can only happen when cash is understood for being what it is- an immediate respite and nothing more. In an idealistic scenario, true development will take place only when the dependence on doles and cash-transfers ends.

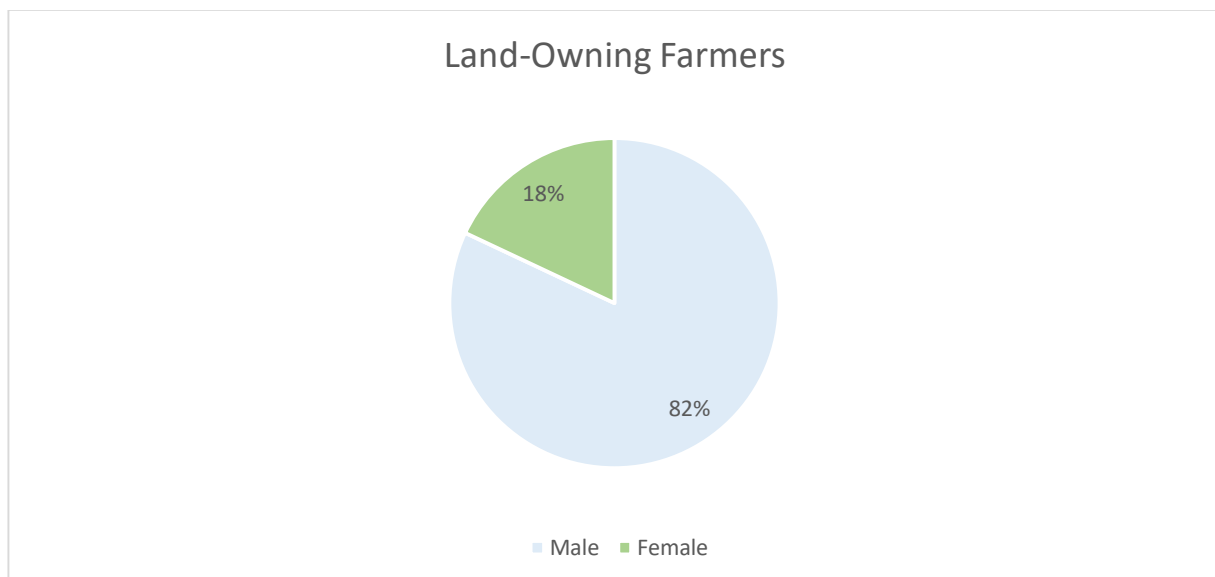


# APPENDIX

## 5.1 Gender Profiling and Land Ownership Details of Farmers

Out of the 61 land-owning farmers interviewed, 50 farmers were males (82%) and 11 farmers were females (18%). Additionally, all the 30 tenants interviewed were males.

**Figure 5.1:- Gender-Composition of all farmers**



Source: Created by the author; the pie-chart shows the gender composition of the farmers.

10 of the 11 female farmers were Scheduled Tribes while one was from the Other Backward Class category. Most of the marginal women farmers surveyed were from the *Gond* tribe in Dorli village and were beneficiaries of government assigned land- the land assigned by the government to Scheduled Tribes and Scheduled Caste farmers.

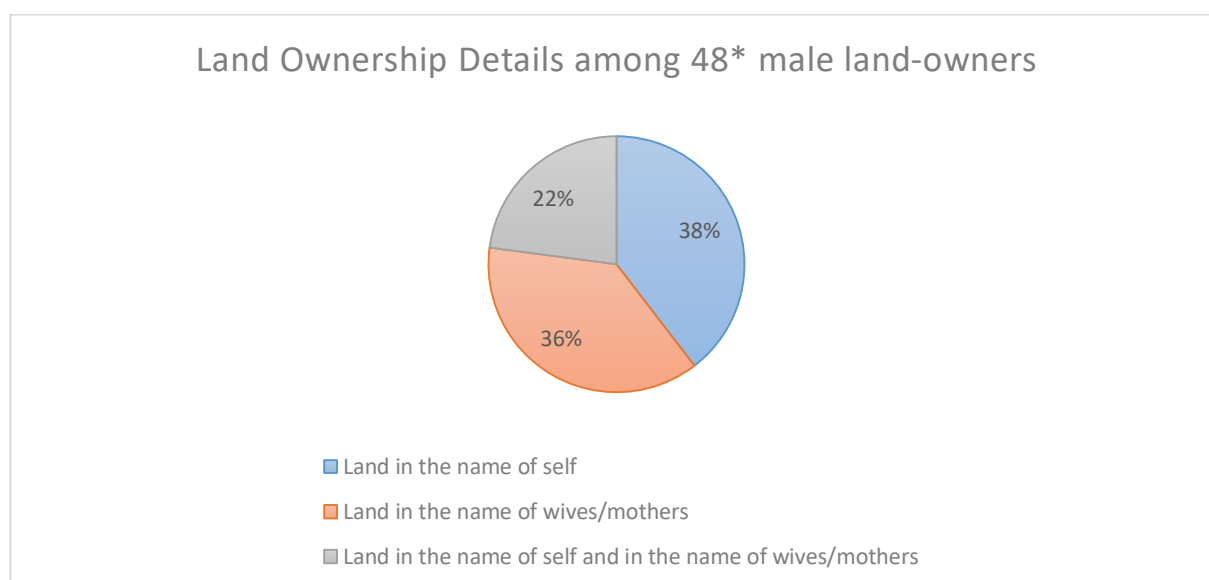
*All the 11 women farmers interviewed had the land in their own names.* When asked why, the rationale given was that it becomes easier to obtain land and other entitlements by the government if the land is in the name of the females. For instance, under the Land Purchase Scheme, the Telangana government has a provision of assigning land of up to 3 acres of land to Scheduled Caste landless and marginal *women* farmers. Thus, due to progressive gender based provisions that have begun to exist legislatively, Patta Passbooks in the names of females is beneficial to these farming households.

As expected, out of the 50 remaining male land-owners, *only 19 (38%) had lands only in their own names*, 18 (36%) had lands in the names of their wives/ mothers and 11 (22%) had lands *both* in their names and in the name of their relatives. It is important to note that *all of these 11 males* who had land in the names of *themselves and their relatives* were either large farmers or medium farmers or semi Medium farmers with more than 6 acres of land. 9 of these 11 male farmers had distributed land in such a manner that *at least one member of their family* was either a marginal or a small land-owner, giving



them access to subsidies and schemes such as PM-KISAN. This statistic just reaffirms the tendency of patriarchs of the households to record land-ownership in the names of their relatives for the purpose of social benefits and entitlements. (Graph attached below)

**Figure 5.2:- The Percentage of Land-Owners who had Passbook in their names, in their relatives' names or both**



Source: Created by the author; the pie-chart describes the land-owning details of 50 male farmers.

(\*Note on the Graph: The graph above doesn't include two farmers who weren't aware of their Patta Passbook details and didn't possess a Patta Passbook either. So the pie-chart assumes the total to be 48 and not 50)

Overall, out of the total 61 respondents with land, only 48% (or 29 out of 61) had Patta Passbooks *only in their own name*. The remaining 50% had Patta Passbooks either in the name of their relatives (31%) or had Patta Passbooks in their own name *as well as* in the name of their relatives. (18%)

## 5.2 Patta Passbooks during LRUP

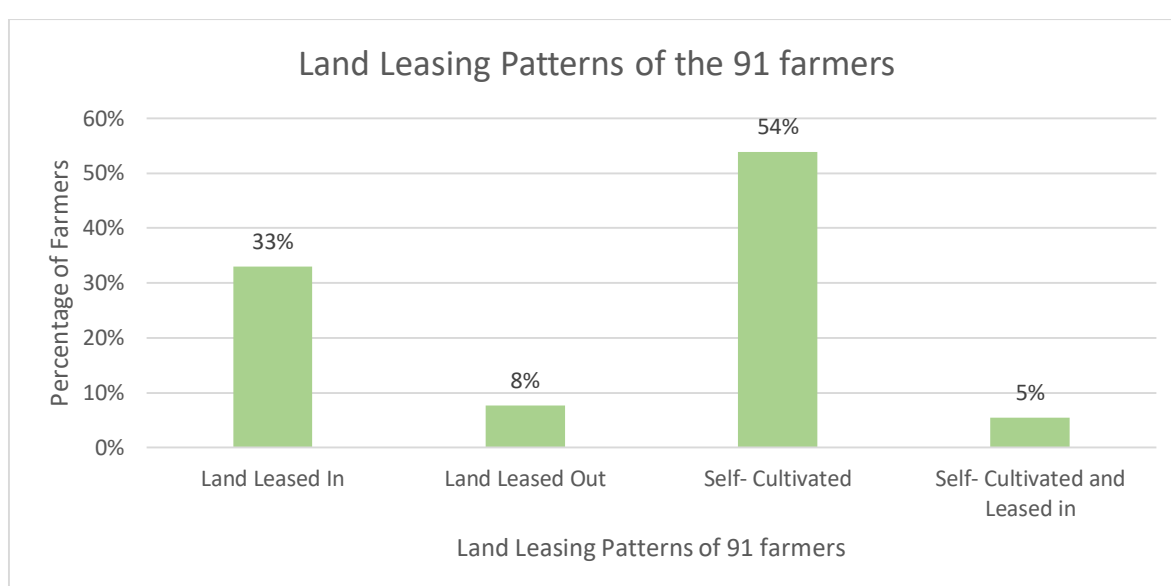
Of the 61 land-owners in the survey, up to 16.7% either did not get their passbooks during LRUP/ got their Passbooks late/ got it for a lesser survey extent. What's important to note is that at least 60% of these farmers were marginal. Among the 16.7%, was also the Sarpanch of the village- Karunakar Reddy who claimed to have received his passbook late. But despite receiving the Patta Passbook 6 months late, Karunakar Reddy managed to receive the Rythu Bandhu money for Kharif Season whereas the marginal farmers didn't. So even as the marginal farmers and the large farmer- both the parties got their passbooks late, only the latter managed to receive Rythu Bandhu money for Kharif Season whereas the former didn't. This throws light on how discriminatory these processes can tend to be for farmers with smaller land-holdings.



### 5.3 Land Leasing Patterns

Given below is a graph that gives a preliminary glance of how many farmers practiced self-cultivation as opposed to those who leased their land out. The graph also includes farmers who leased in land *as well as* practiced self-cultivation in their own land. There were 30 tenants in my sample size and thus the table shows 30 tenants who had leased in land. Also, there were at least 7 farmers who had leased out land. Contrary to what I had expected, I didn't find large/ medium farmers (with land-holding size between 10-25 acres) leasing out any land (except for one Medium farmer with 13.45 acres of land). Rather, it was marginal, small and semi-medium farmers leasing out land.

**Figure 5.3:- Land Leasing Patterns of all 91 farmers**



Source: Created by the author; the graph shows the ownership and land leasing patterns of the 91 farmers

The graph above also shows that, around 50 farmers self-cultivated their own land and 5 farmers, including 2 marginal, 2 small and 1 large farmer, leased in land, in addition to cultivating their own.

### 5.4 Amount of Land Cultivated, Cost of cultivation per acre during Kharif Season, Number of Quintals of Primary Crop Produced

Most of the farmers surveyed grew cotton and red gram in the form of inter cropping, while some others soybean as well. The large farmers grew cotton, red gram, soybean, turmeric among other crops. The average amount of expenditure per acre for large farmers was greater because of the sheer number and type of crop seeds they were growing.

On an average, each cultivator spent around Rs 24,000 per acre during Kharif Season. This average is actually an overestimate given that it includes large farmers who were clear outliers with massive expenditure per acre. After removing them, the average cost of cultivation per acre was around Rs



21,000 and the median and the mode expenditures per acre were Rs 20,000. There were 4 outliers in the data- out of which two were the costs of cultivation of 2 large farmers which were way out of range (the average cost of cultivation per acre being more than 1,00,000 Rs) and the other two points were average costs of cultivation per acre of one large farmer and one small farmer respectively. Prima Facie, an average cost of cultivation per acre of more than Rs 1,00,000 (Rs 1,30,000 and Rs 1,20,000 per acre respectively) seems absurd when compared to other farmers whose per acre costs averaged around Rs 21,000. But on looking closely, I noticed that this high cost per acre for the two large farmers viz. Kalyan Karunakar Reddy and Katapelly Reddy was because of the cultivation of Turmeric. Both these farmers grew at least 4 crops i.e. Cotton, Red Gram, Soybean and Turmeric. Cotton costs were around Rs 25,000 per acre, Red Gram around Rs 5,000-10,000 per acre, Soybean around Rs 10,000-15,000 per acre. It was the investment of Turmeric which cost a whopping Rs 70,000-Rs 80,000 per acre due to Turmeric seeds being expensive. This shot up their cost of cultivation and also resulted in them demanding an MSP of at least Rs 10,000 per quintal for Turmeric. This is also the reason why the third farmer- Ram Reddy- did not have such a high cost of cultivation as he did not grow Turmeric. Ram Reddy's cost per acre, although, still was also an outlier with an amount of Rs 45,000 per acre per season. This is because Ram Reddy grew Soybean along with the primary crop of cotton and had 26 acres of land in addition to the 6 acres he had leased in. Similarly, another outlier- Tirupati Rao, a small farmer with 3 acres of land- also had high per acre cultivation cost because he too grew soybean with cotton and in addition, had taken 15 acres of land on lease in addition to his 3 acres.

Apart from Tirupati Rao and Ram Reddy, Dante Ramesh- a semi-medium farmer grew Soybean and Cotton and even his cultivation cost per acre came out to be Rs 30,000. Higher than the average Rs 21,000 but within the range. Thus the **number and kind of crops grown** seemed to have had a direct impact on the per acre cultivation costs.

There also existed a strong correlation of 79.42% between the amount of land cultivated during Kharif Season and the costs of cultivation per acre; Implying that more land cultivated led to higher costs per acre. In addition, at least 63% of the variation in costs of cultivation during Kharif Season could be explained by the amount of land being cultivated. Thus from this section, the essential submission is that the number of crops, kind of crops and the amount of land cultivated- all seemed to have has a direct impact on the cost of cultivation made per acre during Kharif Season.

### **5.5 Preferences between cash transfers and direct inputs of those farmers who claimed that cash transfers actually helped them during cultivation**

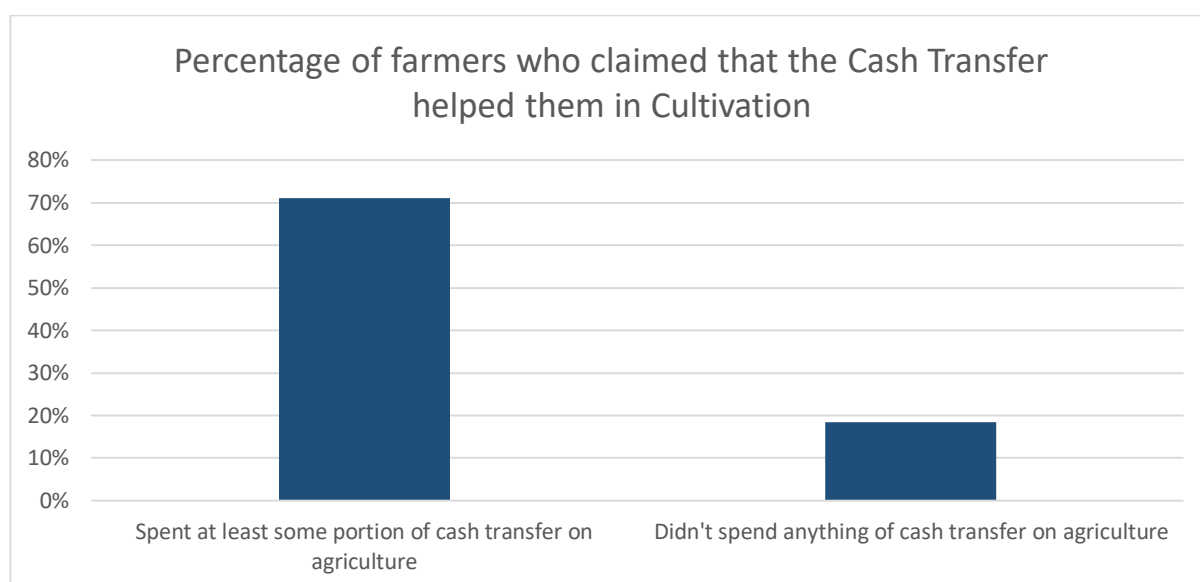
All landowning farmers were asked whether the cash transfer under Rythu Bandhu directly/ specifically helped them with cultivation. Out of the 61 landowning farmers who were eligible for Rythu Bandhu, 3 of them did not receive it in any of the two seasons making them by default ineligible for this question.



Further, 2 more farmers didn't answer the question. This reduced the sample size for this question to 56 farmers.

87.5% of these farmers (49 out of 56) replied that the cash transfer under Rythu Bandhu directly helped them in cultivation and 13.5% (7 out of 56) replied that it didn't. 4 of these 7 farmers who replied that Rythu Bandhu didn't help them with cultivation were small, and the remaining 3 were marginal, medium and semi-medium respectively. All large farmers claimed that Rythu Bandhu directly benefitted them in cultivation.

**Figure 5.4:- Cash-Transfer Usage Pattern among farmers who claimed that cash transfer actually helped them in cultivation**



*Source: Created by the author; the graph shows what percentage of farmers who claimed that the cash transfer helped them with cultivation actually spent some/ all portion of their cash transfer on agriculture and what percentage didn't spend anything on agriculture*

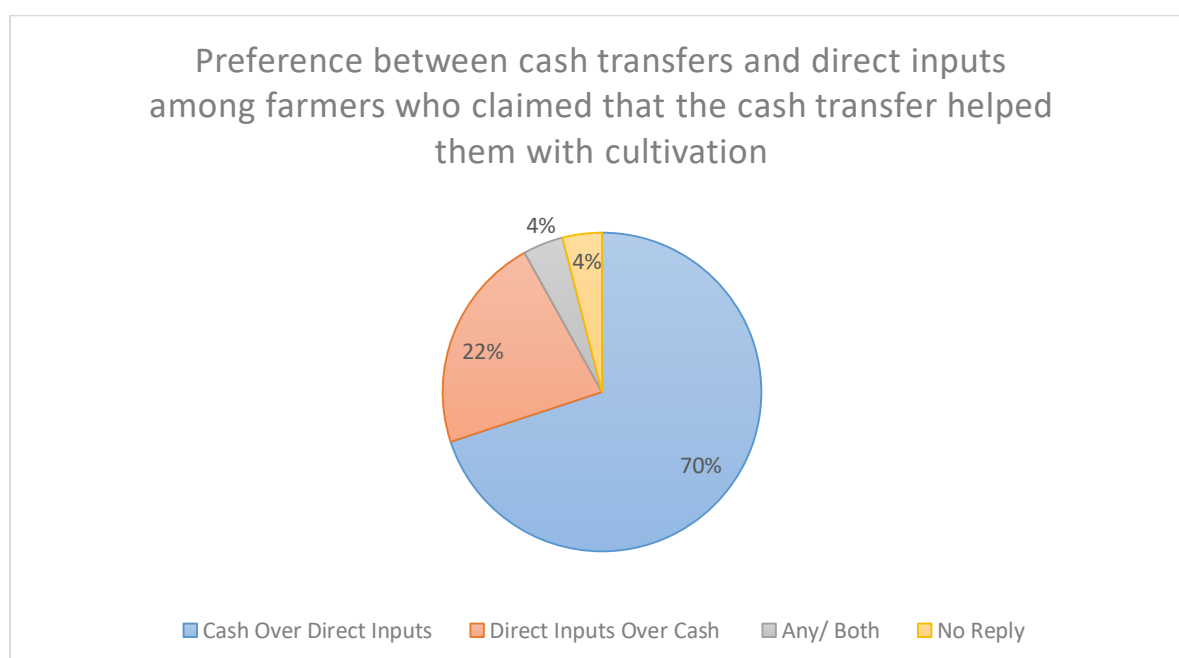
The graph above shows that 71% (35 of 49) of the farmers who claimed that Rythu Bandhu directly helped them in cultivation spent at least some portion of their cash transfer on agriculture; what was insightful to note however, was that at least 18% of the (9 out of 49) farmers who didn't spend anything from the cash transfer on agriculture answered that Rythu Bandhu in fact, directly helped them in cultivation. This points to a larger trend as to why cash transfer surveys generally present an optimistic picture since everyone likes cash in their hands and wouldn't answer in any way that could lead to them losing it. Even in this case, there were 9 farmers who didn't use the cash transfer to invest in agriculture at all yet claimed that the scheme directly helped them in cultivation.



On the other hand, all 7 farmers who claimed that Rythu Bandhu *did not* directly help them in cultivation, spent the money on other use and 6 of these 7 farmers had leased out their land.

To answer the primary question of this sub-section: - the preferences between cash transfers and direct inputs among farmers who claimed the cash transfer helped them in cultivation was as follows: **approximately 70% (34 out of 49) of those who said cash transfers helped them with cultivation preferred cash transfers over direct inputs; Whereas 22% of them (11 out of 49) preferred direct inputs over cash transfers.**

**Figure 5.5:- Preferences between cash transfers and direct inputs among farmers who claimed that cash transfer actually helped them in cultivation**



*Source: Created by the author; the graph shows the preferences for cash and direct inputs among farmers who explicitly claimed that the cash transfer helped them with cultivation*

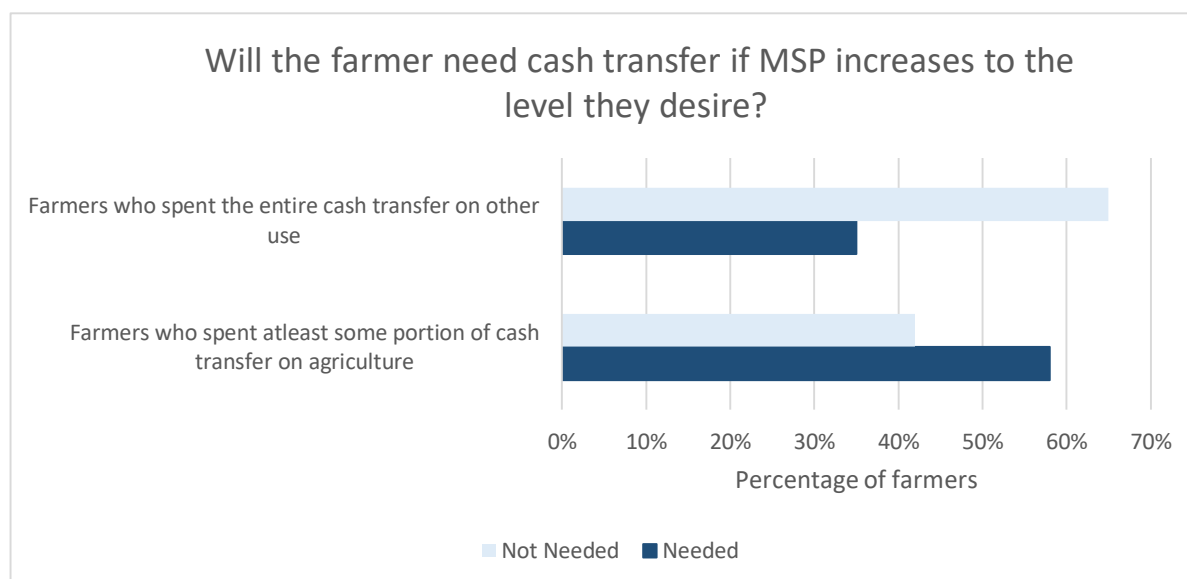
From the pie-chart above, it can be seen that 70% of the farmers who claimed to have benefitted from the cash transfer in terms of cultivation chose cash transfer over direct inputs, 4% were okay with any/ or wanted both and 4% did not reply. But what is interesting to note is that there were at least 22% farmers who claimed to have benefitted from cash transfer for cultivation but still chose direct inputs over cash transfers when given the choice. The reason given by them was that direct inputs can immediately be utilized for agricultural activities, but it takes time to do the same with cash. Having said this, the fact that 70% of those who claimed that cash transfers benefitted them in cultivation, also chose cash transfer over direct inputs shows that for 70% of these farmers cash proved to be more useful than direct inputs for agriculture.



## 5.6 Cash Transfer vs Direct Inputs; Price Support Vs Income Support

The graph below examines if there existed any relation between the way the cash transfer was spent and whether the farmer preferred price support to income support.

**Figure 5.6:- Preferences between Income Support and Price Support and Cash-Transfer Usage Patterns**



Source: Created by the author; the graph above shows the preferences between price support and income support of those farmers who spent their entire cash transfer on other use and of those who spent at least some/ the whole portion of their cash transfer on agriculture

In the graph above, there are two clustered columns. The clustered column on the top consists of farmers who spent their cash transfer on other use and the clustered column in the bottom consists of farmers who spent some or more portion of their cash transfer on agriculture. On the clustered column in the top it can be seen that 35% said that they would need income support even after an increase in the MSP to the level they desire. Understandably so, because these farmers anyway didn't spend their cash transfer on agriculture. But interestingly, 65% of these farmers who spent their cash on other use said that they would *not* need income support if MSP increases to the level they desire. These 65% farmers didn't spend the cash transfer on agriculture and chose price support over income support. This may be because for them price support was perceived as more useful for agriculture than income support (which is corroborated by the fact that they didn't spend it on agriculture)

The second clustered column is about farmers who spent at least some portion of their cash transfer on agriculture. It shows that 58% of the landowning farmers who spent some or complete portion of their cash transfer on agriculture, said that they wanted income support, notwithstanding an increase in MSP to the level they desire. While, 42% of the landowning farmers who spent some or complete portion of their cash transfer on agriculture said that they would *not* want income support if MSP increases to the



level they desire. **Thus, there are two major findings for this sub-section.** The first that 65% of those who did not spend their cash transfers on agriculture preferred price support to income support. This was because these farmers felt that an assured increased MSP would be much more effective in meeting their costs of cultivation than a cash transfer which they anyway spent on other use. The second finding is that there was a greater preference (58%) for income support among farmers who spent some or all of their cash transfer on agriculture. *This shows that cash transfer was considered a better alternative to an increased MSP among farmers who had actually spent it a component of it on agricultural activities.* For these farmers, cash transfer provided the necessary relief needed during sowing season which MSP couldn't provide to them. **This also highlights the limited scope of the argument which pits price support as an opposite to income support** – A point brought out by the District Agricultural Officer of Adilabad – *“that even if the MSP of cotton is increased to the level desired, will it be able to substitute the role of the income support in so far as that the purpose of it is to ultimately act as a support during initial cultivation and sowing when the farmers face a lot of cash distress.”?*

In the context of agriculture, an income support scheme like Rythu Bandhu has a different role to play for the farmers (to act as a relief from debt in the initial sowing season and aiding investment) and a price support scheme has a different role to play (to ensure remunerative prices to farmers- enough to cover their cost of cultivation *after* the harvest). Thus viewing these two as mutually exclusive, limits the scope of these policy instruments.

## 5.7 Profiling of Debt based on land-ownership

It further shows that approximately 17% of the farmers claimed that they didn't have any loan at all. On examining further, the following table was obtained:-

**Table 5.1:- Sources of Credit of farmers across different Land-Holding Sizes**

Type	Bank	Private	Didn't answer	Total
Landless tenant	0	15	15	30
Large	3	0	0	3
Marginal	18	1	1	20
Medium	5	1	0	6
Semi-Medium	13	2	0	15
Small	15	2	0	17
<b>Total</b>	<b>54</b>	<b>21</b>	<b>16</b>	<b>91</b>

Source: Created by the author; the table shows sources of institutionalized and non-institutionalized debt among farmers across land-holdings

The table shows that out of the 30 landless tenants, 50% claimed to have no debt and the remaining 50% were indebted to informal sources of credit such as money lenders, traders etc. All the three large



farmers had access to institutional sources of credit. Furthermore, 90% of marginal farmers, 88% of small farmers, 83% of medium farmers and 86% of semi-medium farmers had access to institutionalized credit. Overall, 89% (54 out of 61) of land-owning farmer had access to institutionalized credit, whereas not a single tenant had access to institutionalized credit. Good access to institutionalized credit in Talamadagu among land-owning farmers was because of its location and there being a branch bank right in the vicinity. But tenants still didn't have any access because of not having any land records or proof of cultivation. This is the general scenario of landless tenants.

To tackle this, the Andhra Pradesh Government had come up with the Licensed Cultivators Act 2011 in which the aim was to issue to tenants Loan Eligibility Cards (LECs) and thereby entitle them to gain access to institutionalized credit, crop insurance, input subsidies and disaster relief. In order to assess whether tenants had received any loans through the loan eligibility card, I had asked them if they applied for a loan eligibility card and if they received any loan through it. Out of the 35 farmers, *only 1 large farmer* who had 26 acres of land and had leased in 6 acres more had applied for a loan eligibility card and actually received loan through it. Further, one Muslim Landless tenant cultivating 7 acres of land applied for the LEC card but did not receive the card. *The rest of the 33 farmers leasing in land had not even applied for the LEC card, forget receiving a loan through it. In fact, 58% of these 33 farmers had not even heard about the loan eligibility card or any such act.* This poor track record and reach of loan eligibility Cards to tenants is all the more a setback, given that there has been an effort especially in the district by the state machinery of Adilabad to form tenants into Joint Liability Groups (JLGs) –so that they could get access to credit as a group. The LEC cards serve as an identity card for such a purpose. It became important to organize tenants into JLGs to make them get access to loans because no bank can give a loan to more than one parties under a particular survey number and in most cases, the landowner ends up taking the loan.



## Bibliography

- Bal, M. (2017). *Securing property rights in India through distributed ledger technology*. Observer Research Foundation.
- Banerjee, A., Hanna, R., Kreindler, G., & Olken, B. A. (2016). *Debunking the Stereotype of the Lazy Welfare Recipient*. MIT.
- Behera, H. C. (2009). Constraints in Land Record Computerisation. *Economic and Political Weekly*.
- Burdhan, P. (2019). NYAY e-Symposium: The case for a universal basic income supplement. *Ideas For India*.
- Burman, A. (2019). Making Land Titles in India Marketable: Using Title Insurance as a Viable Alternative to Conclusive Titling. *Washington International Law Journal*.
- Byamugisha, & Frank, F. (1999). *How land registration affects financial development and economic growth in Thailand (English)*. World Bank.
- Clarke, D., & Hulme, D. (2010). Poverty, time and vagueness: integrating the core poverty and chronic poverty frameworks. *Cambridge Journal of Economics*.
- Douglas, C. (1924). *Social credit*.
- Farrington, J., Harvey, P., & Slater, R. (2006). *Cash Transfers in the Context of Pro-Poor Growth*.
- Feder, G., & Nishio, A. (1998). The benefits of land registration and titling: Economic and social perspective. *ScienceDirect*.
- Floyd, D. (2019). *The Long, Weird History of Basic Income – And Why It's Back*. Investopedia.
- Gentilini, U. (2007). *Cash and Food Transfers: A Primer*. World Food Programme.
- Ghatak, M. (2019, May 2nd). NYAY e-Symposium: Not long-term solution to poverty but useful 'first-aid'. *Ideas For India*.
- Ghatak, M., & Maniquet, F. (2019). Universal Basic Income:. *Annual Review of Economics*.
- Ghatak, M., & Muralidharan, K. (2019). *An Inclusive Growth Dividend: Reframing the Role of Income Transfers*.
- Ghosh, J. (1992). Twelve Theses on Agricultural Prices. *Social Scientist*.
- Ghosh, J. (2011). Cash Transfers as the Silver Bullet for Poverty Reduction: A Sceptical Note. *Economic and Political Weekly*.
- Gulati, A., Chatterjee, T., & Hussain, S. (2018). *Supporting Indian Farmers: Price Support or Direct Income/Investment Support?* INDIAN COUNCIL FOR RESEARCH ON INTERNATIONAL ECONOMIC RELATIONS.
- Hanlon, J., Barrientos, A., & Hulme, D. (2010). *Just Give Money To the Poor: The Development Revolution From the Global South*. Lynne Rienner Publishers.
- Harvey, D. (2010). *A Brief History of Neoliberalism*. Oxford.
- Himanshu. (2017, May 21). A proposal for universal basic services. *Ideas For India*.



- Himanshu. (2019). India's farm crisis: Decades old and with deep roots. *Ideas for India*.
- Khusro, A. (1958). *Economic and Social Effect of Jagirdari Abolition and Land Reforms in Hyderabad*.
- Lemel, H. (1988). Land Titling: Conceptual, Empirical and Policy Issues. *Land Use Policy*.
- Mehta, V. (2019). *The Great Indian Basic Income Debate*. India Network for Basic Income Foundation.
- Muralidharan, K., Niehaus, P., & Sukhtankar. (2017). *Direct Benefits Transfer in Food: Results from One Year of Process Monitoring in Union Territories*. UC San Diego.
- Narayanan, S. (2011, May 21). A Case for Reframing the Cash Transfer Debate in India. *Economic and Political Weekly*.
- Narayanan, S., & Chakraborty, J. (2019, November). Land as Collateral in India. *Economic and Political Weekly*.
- Narayanan, S., Prabhakar, P., Shaikh, G., Uday, D., & Zaveri, B. (2018). Digital India Land Records Modernisation Programme: Assessing impact in Himachal Pradesh and Maharashtra. *Ideas For India*.
- Paine, T. (1797). *THE CITIZEN'S DIVIDEND*.
- Panicker, V. (2015). *Land Records Modernisation: Technology Transitions*. Indian Institute for Human Settlements.
- PRS Legislative Research. (2017). *Land Records and Titles in India*. PRS Legislative Research.
- Rajadhyaksha, N. (2019). NYAY e-Symposium: The potential macroeconomic impact of NYAY. *Ideas For India*.
- Ramakumar, R. (2012, December 28). Cash evangelism. *Frontline*.
- Ramakumar, R. (2017). *Note-Bandi*. Oxford University Press.
- Ramesh, D. C. (2019, April). Why we need conclusive titles. *Telangana Today*.
- Rao, P. T. (2014). *Status of Adivasis: Andhra Pradesh (Indigenous Peoples Land Series)*. Aakar Books.
- Ravallion, M. (2018). *Guaranteed Employment or Guaranteed Income?* Center for Global Development.
- Ray, D. (2016). The universal basic share. *Ideas For India*.
- Roy, R. (2019). *A tale of two disenchantments*. National Institute of Public Finance and Policy.
- Roy, S. D. (2018). Will Increasing Minimum Support Price Cure Indian Agriculture? *Economic and Political Weekly*.
- Sanjak, J. (2012). *Land Titling and Credit Access – Understanding the Reality*. USAID.
- Sen, R. K., & Basu, R. L. (2006). *Economics in Arthasastra*. New Delhi: Deep & Deep Publications.
- Shah, M. (2008, August 23rd). Direct Cash Transfers: No Magic Bullet. *Economic and Political Weekly*.
- Soto, H. d. (2000). *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. Basic Books.



- Srinivasulu, K. (2002). *Caste, Class and Social Articulation in Andhra Pradesh: Mapping Differential Regional Trajectories*. Department of Political Science.
- Subramanian, A., Kapur, D., & Mukhopadhyay, P. (2008, November 22nd). More on Direct Cash Transfers. *Economic and Political Weekly*.
- Subramanian, A., Kapur, D., & Mukhopadhyay, P. (2008). The Case for Direct Cash Transfers to the Poor. *Economic and Political Weekly*.
- Sundarayya, P. (1972). *Telangana People's Struggle And Its Lessons*. VIPLAV CH .
- Thurow, L. C. (1974). Cash Versus In-Kind Transfers. *American Economic Association*.
- World Bank. (2016). *Cash Transfers in Humanitarian Contexts*. World Bank Group.



3/28/2020 Turnitin Originality Report

Turnitin Originality Report

REPORT by M2018ds028@tiss.edu ...  
From Assignments 2019-2020  
(Assignments)

Processed on 28-Mar-2020 12:45 IST  
ID: 1283863132  
Word Count: 54305

Similarity Index	Similarity by Source
9%	Internet Sources: 7% Publications: 2% Student Papers: 4%

**sources:**

- 1% match (Internet from 16-Jun-2018)  
<http://www.crsindia.org/uploads/media/Analytical%20Report/Land%20Records%20and%20Titles%20in%20India.pdf>
- 1% match (Internet from 14-Nov-2019)  
<https://www.opendemocracy.net/en/beyond-trafficking-and-slavery/great-indian-basic-income-debate/>
- < 1% match (Internet from 07-Feb-2020)  
<http://jvalasmusings.blogspot.com/2017/09/land-records-updating-project.html>